Israel to make further concessions. Even after an international summit prescribed a way of winding this violence down, the Palestinians continue their violent actions. These actions are spilling over to other countries both inside and outside the region, and have the potential to become increasingly widespread.

I therefore believe that it is important that this resolution move forward at this time. Under this resolution, Congress expresses its solidarity with the state and people of Israel, condemns the Palestinian leadership for doing so little to stop the violence, and calls upon the leadership to refrain from exhortations to violence, to stop all violence, to show respect for all holy sites and to settle all grievances through negotiations.

It also commends the current and past administrations for their efforts to find Middle East peace, urges the Clinton administration to stop future unbalanced resolutions, and calls on all parties involved in the Middle East conflict to make all possible efforts to reinvigorate the peace process to prevent further senseless loss of life by all sides.

Mr. Speaker, despite my disappointment and outrage at this developing violence, I remain convinced that there is no alternative to a peaceful settlement between Israel, the Palestinians and its Arab neighbors. The sooner that all parties in the region not only recognize that Israel is here to stay, but also truly internalize that reality and negotiate on that basis, real peace cannot be achieved.

Now, all the parties in the region need to step back and to try to find a way to end this violence and return to the negotiating table. We need to pass this resolution today to ensure that the U.S. Congress sends a clear message of its support for Israel during this crisis.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 426.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

AMERICAN HOMEOWNERSHIP AND ECONOMIC OPPORTUNITY ACT OF 2000

Mr. LEACH. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1452) to modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes, as amended.

The Clerk read as follows:

S. 1452

SEC. 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''American Homeownership and Economic Opportunity Act of 2000''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the priorities of our Nation should include expanding homeownership opportunities by providing access to affordable housing that is safe, clean, and healthy;

(2) our Nation has an abundance of conventional capital sources available for homeownership financing;

(3) experience with local homeownership programs has shown that if flexible capital sources are available, communities possess ample will and creativity to provide opportunities uniquely designed to assist their citizens in realizing the American dream of homeownership; and

(4) each consumer should be afforded every reasonable opportunity to access mortgage credit, to obtain the lowest cost mortgages for which the consumer can qualify, to know the true cost of the mortgage, to be free of regulatory burdens, and to know what factors underlie a lender's decision regarding the consumer's mortgage.

(b) PURPOSE.—It is the purpose of this Act—

(1) to encourage and facilitate homeownership by families in the United States who are not otherwise able to afford homeownership; and

(2) to expand homeownership through policies that—

(A) promote the ability of the private sector to produce affordable housing without excessive government regulation;

(B) encourage tax incentives, such as the mortgage interest deduction, at all levels of government; and

(C) facilitate the availability of flexible capital for homeownership opportunities and provide local governments with increased flexibility under existing Federal programs to facilitate homeownership.

TITLE I—REMOVAL OF BARRIERS TO HOUSING AFFORDABILITY

SEC. 101. SHORT TITLE.

This title may be cited as the ''Housing Affordability Barrier Removal Act of 2000''.

SEC. 102. GRANTS FOR REGULATORY BARRIER REMOVAL STRATEGIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—Subsection (a) of section 1204 of the Housing and Community Development Act of 1992 (42 U.S.C. 12705c(a)) is amended to read as follows:

''(a) FUNDING.—There is authorized to be appropriated for grants under subsections (b) and (c) such sums as may be necessary for each of fiscal years 2001, 2002, 2003, 2004, and 2005.''.

(b) CONSOLIDATION OF STATE AND LOCAL GRANTS.—Subsection (b) of section 1204 of the Housing and Community Development Act of 1992 (42 U.S.C. 12705c(b)) is amended—

(1) in the subsection heading, by striking ''STATE GRANTS'' and inserting ''GRANT AUTHORITY'';

(2) in the matter preceding paragraph (1), by inserting after ''States'' the following: ''and units of general local government (including consortia of such governments)'';

(3) in paragraph (3), by striking ''a State program to reduce State and local'' and inserting ''State, local, or regional programs to reduce'';

(4) in paragraph (4), by inserting ''or local'' after ''State''; and

(5) in paragraph (5), by striking ''State''.

(c) REPEAL OF LOCAL GRANTS PROVISION.—Section 1204 of the Housing and Community Development Act of 1992 (42 U.S.C. 12705c) is amended by striking subsection (c).

(d) APPLICATION AND SELECTION.—The last sentence of section 1204(e) of the Housing and Community Development Act of 1992 (42 U.S.C. 12705c(e)) is amended—

(1) by striking ''and for the selection of units of general local government to receive grants under subsection (f)(2)''; and

(2) by inserting before the period at the end the following: ''and such criteria shall require that grant amounts be used in a manner consistent with the strategy contained in the comprehensive housing affordability strategy for the jurisdiction pursuant to section 105(b)(4) of the Cranston-Gonzalez National Affordable Housing Act''.

(e) SELECTION OF GRANTEES.—Subsection (f) of section 1204 of the Housing and Community Development Act of 1992 (42 U.S.C. 12705c(f)) is amended to read as follows:

''(f) SELECTION OF GRANTEES.—To the extent amounts are made available to carry out this section, the Secretary shall provide grants on a competitive basis to eligible grantees based on the proposed uses of such amounts, as provided in applications under subsection (e).''.

(f) TECHNICAL AMENDMENTS.—Section 107(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5307(a)(1)) is amended—

(1) in subparagraph (G), by inserting ''and'' after the semicolon at the end;

(2) by striking subparagraph (H); and

(3) by redesignating subparagraph (I) as subparagraph (H).

SEC. 103. REGULATORY BARRIERS CLEARINGHOUSE.

Section 1205 of the Housing and Community Development Act of 1992 (42 U.S.C. 12705d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking ''receive, collect, process, and assemble'' and inserting ''serve as a national repository to receive, collect, process, assemble, and disseminate'';

(B) in paragraph (1)—

(i) by striking '', including'' and inserting ''(including''; and

(ii) by inserting before the semicolon at the end the following: ''), and the prevalence and effects on affordable housing of such laws, regulations, and policies'';

(C) in paragraph (2), by inserting before the semicolon the following: '', including particularly innovative or successful activities, strategies, and plans''; and

(D) in paragraph (3), by inserting before the period at the end the following: '', including particularly innovative or successful strategies, activities, and plans'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following new paragraph:

''(3) by making available through a World Wide Web site of the Department, by electronic mail, or otherwise, provide to each housing agency of a unit of general local government that serves an area having a population greater than 100,000, an index of all State and local strategies and plans submitted under subsection (a) to the clearinghouse, which—

''(A) shall describe the types of barriers to affordable housing that the strategy or plan was designed to ameliorate or remove; and

''(B) shall, not later than 30 days after submission to the clearinghouse of any new strategy or plan, be updated to include the new strategy or plan submitted.''; and

(3) by adding at the end the following new subsections:

''(c) ORGANIZATION.—The clearinghouse under this section shall be established within the Office of Policy Development of the Department of Housing and Urban Development and shall be under the direction of the Assistant Secretary for Policy Development and Research.

''(d) TIMING.—The clearinghouse under this section (as amended by section ___09 of the Housing Affordability Barrier Removal Act of 2000) shall be established and commence carrying out the functions of the clearinghouse under this section not later than 1 year after the date of the enactment of such Act. The Secretary of Housing and Urban Development may comply with the requirements under this section by reestablishing

the clearinghouse that was originally established to comply with this section and updating and improving such clearinghouse to the extent necessary to comply with the requirements of this section as in effect pursuant to the enactment of such Act.''.

TITLE II—HOMEOWNERSHIP FOR WORKING FAMILIES

SEC. 201. REDUCED DOWNPAYMENT REQUIREMENTS FOR LOANS FOR TEACHERS, PUBLIC SAFETY OFFICERS, AND OTHER UNIFORMED MUNICIPAL EMPLOYEES.

(a) IN GENERAL.—Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)) is amended by adding at the end the following new paragraph:

''(11) REDUCED DOWNPAYMENT REQUIREMENTS FOR TEACHERS AND UNIFORMED MUNICIPAL EMPLOYEES.—

''(A) IN GENERAL.—Notwithstanding paragraph (2), in the case of a mortgage described in subparagraph (B)—

''(i) the mortgage shall involve a principal obligation in an amount that does not exceed the sum of 99 percent of the appraised value of the property and the total amount of initial service charges, appraisal, inspection, and other fees (as the Secretary shall approve) paid in connection with the mortgage;

''(ii) no other provision of this subsection limiting the principal obligation of the mortgage based upon a percentage of the appraised value of the property subject to the mortgage shall apply; and

''(iii) the matter in paragraph (9) that precedes the first proviso shall not apply and the mortgage shall be executed by a mortgagor who shall have paid on account of the property at least 1 percent of the cost of acquisition (as determined by the Secretary) in cash or its equivalent.

''(B) MORTGAGES COVERED.—A mortgage described in this subparagraph is a mortgage—

''(i) under which the mortgagor is an individual who—

''(I) is employed on a part- or full-time basis as: (aa) a teacher or administrator in a public or private school that provides elementary or secondary education, as determined under State law, except that elementary education shall include pre-Kindergarten education, and except that secondary education shall not include any education beyond grade 12; (bb) a public safety officer (as such term is defined in section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b), except that such term shall not include any officer serving a public agency of the Federal Government); or (cc) a uniformed employee of a unit of general local government, including sanitation and other maintenance workers; and

''(II) has not, during the 12-month period ending upon the insurance of the mortgage, had any present ownership interest in a principal residence located in the jurisdiction described in clause (ii);

''(ii) made for a property that is located within the jurisdiction of—

''(I) in the case of a mortgage of a mortgagor described in clause (i)(I)(aa), the local educational agency (as such term is defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)) for the school in which the mortgagor is employed (or, in the case of a mortgagor employed in a private school, the local educational agency having jurisdiction for the area in which the private school is located);

''(II) in the case of a mortgage of a mortgagor described in clause (i)(I)(bb), the jurisdiction served by the public law enforcement agency, firefighting agency, or rescue or ambulance agency that employs the mortgagor; or

''(III) in the case of a mortgage of a mortgagor described in clause (i)(I)(cc), the unit of general local government that employs the mortgagor; and

''(iii) that is closed on or before September 30, 2003.''.

(b) DEFERRAL AND REDUCTION OF UP-FRONT PREMIUM.—Section 203(c) of the National Housing Act (12 U.S.C. 1709(c)(2)) is amended—

(1) in paragraph (2), in the matter preceding subparagraph (A), by striking ''Notwithstanding'' and inserting ''Except as provided in paragraph (3) and notwithstanding''; and

(2) by adding at the end the following new paragraph:

''(3) DEFERRAL AND REDUCTION OF UP-FRONT PREMIUM.—In the case of any mortgage described in subsection (b)(11)(B):

''(A) Paragraph (2)(A) of this subsection (relating to collection of up-front premium payments) shall not apply.

''(B) If, at any time during the 5-year period beginning on the date of the insurance of the mortgage, the mortgagor ceases to be employed as described in subsection (b)(11)(B)(i)(I) or pays the principal obligation of the mortgage in full, the Secretary shall at such time collect a single premium payment in an amount equal to the amount of the single premium payment that, but for this paragraph, would have been required under paragraph (2)(A) of this subsection with respect to the mortgage, as reduced by 20 percent of such amount for each successive 12-month period completed during such 5-year period before such cessation or prepayment occurs.''.

SEC. 202. HOME EQUITY CONVERSION MORTGAGES.

(a) INSURANCE FOR MORTGAGES TO REFINANCE EXISTING HECMs.—

(1) IN GENERAL.—Section 255 of the National Housing Act (12 U.S.C. 1715z–20) is amended—

(A) by redesignating subsection (k) as subsection (m); and

(B) by inserting after subsection (j) the following new subsection:

''(k) INSURANCE AUTHORITY FOR REFINANCINGS.—

''(1) IN GENERAL.—The Secretary may, upon application by a mortgagee, insure under this subsection any mortgage given to refinance an existing home equity conversion mortgage insured under this section.

''(2) ANTI-CHURNING DISCLOSURE.—The Secretary shall, by regulation, require that the mortgagee of a mortgage insured under this subsection, provide to the mortgagor, within an appropriate time period and in a manner established in such regulations, a good faith estimate of: (A) the total cost of the refinancing; and (B) the increase in the mortgagor's principal limit as measured by the estimated initial principal limit on the mortgage to be insured under this subsection less the current principal limit on the home equity conversion mortgage that is being refinanced and insured under this subsection.

''(3) WAIVER OF COUNSELING REQUIREMENT.—The mortgagor under a mortgage insured under this subsection may waive the applicability, with respect to such mortgage, of the requirements under subsection (d)(2)(B) (relating to third party counseling), but only if—

''(A) the mortgagor has received the disclosure required under paragraph (2);

''(B) the increase in the principal limit described in paragraph (2) exceeds the amount of the total cost of refinancing (as described in such paragraph) by an amount to be determined by the Secretary; and

''(C) the time between the closing of the original home equity conversion mortgage that is refinanced through the mortgage insured under this subsection and the application for a refinancing mortgage insured under this subsection does not exceed 5 years.

''(4) CREDIT FOR PREMIUMS PAID.—Notwithstanding section 203(c)(2)(A), the Secretary may reduce the amount of the single premium payment otherwise collected under such section at the time of the insurance of a mortgage refinanced and insured under this subsection. The amount of the single premium for mortgages refinanced under this subsection shall be determined by the Secretary based on the actuarial study required under paragraph (5).

''(5) ACTUARIAL STUDY.—Not later than 180 days after the date of the enactment of the American Homeownership and Economic Opportunity Act of 2000, the Secretary shall conduct an actuarial analysis to determine the adequacy of the insurance premiums collected under the program under this subsection with respect to—

''(A) a reduction in the single premium payment collected at the time of the insurance of a mortgage refinanced and insured under this subsection;

''(B) the establishment of a single national limit on the benefits of insurance under subsection (g) (relating to limitation on insurance authority); and

''(C) the combined effect of reduced insurance premiums and a single national limitation on insurance authority.

''(6) FEES.—The Secretary may establish a limit on the origination fee that may be charged to a mortgagor under a mortgage insured under this subsection, except that such limitation shall provide that the origination fee may be fully financed with the mortgage and shall include any fees paid to correspondent mortgagees approved by the Secretary.''.

(2) REGULATIONS.—The Secretary shall issue any final regulations necessary to implement the amendments made by paragraph (1) of this subsection, which shall take effect not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

(b) HOUSING COOPERATIVES.—Section 255(b) of the National Housing Act (12 U.S.C. 1715z–20(b)) is amended—

(1) in paragraph (2), by striking '' 'mortgage',''; and

(2) by adding at the end the following new paragraphs:

''(4) MORTGAGE.—The term 'mortgage' means a first mortgage or first lien on real estate, in fee simple, on all stock allocated to a dwelling in a residential cooperative housing corporation, or on a leasehold—

''(A) under a lease for not less than 99 years that is renewable; or

''(B) under a lease having a period of not less than 10 years to run beyond the maturity date of the mortgage.

''(5) FIRST MORTGAGE.—The term 'first mortgage' means such classes of first liens as are commonly given to secure advances on, or the unpaid purchase price of, real estate or all stock allocated to a dwelling unit in a

residential cooperative housing corporation, under the laws of the State in which the real estate or dwelling unit is located, together with the credit instruments, if any, secured thereby.''.

(c) WAIVER OF UP-FRONT PREMIUMS FOR MORTGAGES USED TO FUND LONG-TERM CARE INSURANCE.—

(1) IN GENERAL.—Section 255 of the National Housing Act (12 U.S.C. 1715z–20) is amended by inserting after subsection (k) (as added by subsection (a) of this section) the following new subsection:

''(l) WAIVER OF UP-FRONT PREMIUMS FOR MORTGAGES TO FUND LONG-TERM CARE INSURANCE.—

''(1) IN GENERAL.—In the case of any mortgage insured under this section under which the total amount (except as provided in paragraph (2)) of all future payments described in subsection (b)(3) will be used only for costs of a qualified long-term care insurance contract that covers the mortgagor or members of the household residing in the property that is subject to the mortgage, notwithstanding section 203(c)(2), the Secretary shall not charge or collect the single premium payment otherwise required under subparagraph (A) of such section to be paid at the time of insurance.

''(2) AUTHORITY TO REFINANCE EXISTING MORTGAGE AND FINANCE CLOSING COSTS.—A mortgage described in paragraph (1) may provide financing of amounts that are used to satisfy outstanding mortgage obligations (in accordance with such limitations as the Secretary shall prescribe) and any amounts used for initial service charges, appraisal, inspection, and other fees (as approved by the Secretary) in connection with such mortgage, and the amount of future payments described in subsection (b)(3) under the mortgage shall be reduced accordingly.

''(3) DEFINITION.—For purposes of this subsection, the term 'qualified long-term care insurance contract' has the meaning given such term in section 7702B of the Internal Revenue Code of 1986 (26 U.S.C. 7702B)), except that such contract shall also meet the requirements of—

''(A) sections 9 (relating to disclosure), 24 (relating to suitability), and 26 (relating to contingent nonforfeiture) of the long-term care insurance model regulation promulgated by the National Association of Insurance Commissioners (as adopted as of September 2000); and

''(B) section 8 (relating to contingent nonforfeiture) of the long-term care insurance model Act promulgated by the National Association of Insurance Commissioners (as adopted as of September 2000).''.

(2) APPLICABILITY.—The provisions of section 255(l) of the National Housing Act (as added by paragraph (1) of this subsection) shall apply only to mortgages closed on or after April 1, 2001.

(d) STUDY OF SINGLE NATIONAL MORTGAGE LIMIT.—The Secretary of Housing and Urban Development shall conduct an actuarially based study of the effects of establishing, for mortgages insured under section 255 of the National Housing Act (12 U.S.C. 1715z–20), a single maximum mortgage amount limitation in lieu of applicability of section 203(b)(2) of such Act (12 U.S.C. 1709(b)(2)). The study shall—

(1) examine the effects of establishing such limitation at different dollar amounts; and

(2) examine the effects of such various limitations on—

(A) the risks to the General Insurance Fund established under section 519 of such Act;

(B) the mortgage insurance premiums that would be required to be charged to mortgagors to ensure actuarial soundness of such Fund; and

(C) take into consideration the various approaches to providing credit to borrowers who refinance home equity conversion mortgages insured under section 255 of such Act. Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the study under this subsection and submit a report describing the study and the results of the study to the Committee on Banking and Financial Services of the House of Representatives and to the Committee on Banking, Housing, and Urban Affairs of the Senate.

SEC. 203. LAW ENFORCEMENT OFFICER HOMEOWNERSHIP PILOT PROGRAM.

(a) ASSISTANCE FOR LAW ENFORCEMENT OFFICERS.—The Secretary of Housing and Urban Development shall carry out a pilot program in accordance with this section to assist Federal, State, and local law enforcement officers purchasing homes in locally-designated high-crime areas.

(b) ELIGIBILITY.—To be eligible for assistance under this section, a law enforcement officer shall—

(1) have completed not less than 6 months of service as a law enforcement officer as of the date that the law enforcement officer applies for such assistance; and

(2) agree, in writing, to use the residence purchased with such assistance as the primary residence of the law enforcement officer for not less than 3 years after the date of purchase.

(c) MORTGAGE ASSISTANCE.—If a law enforcement officer purchases a home in locally-designated high-crime area and finances such purchase through a mortgage insured under title II of the National Housing Act (12 U.S.C. 1707 et seq.), notwithstanding any provision of section 203 or any other provision of the National Housing Act, the following shall apply:

(1) DOWNPAYMENT.—

(A) IN GENERAL.—There shall be no downpayment required if the purchase price of the property is not more than the reasonable value of the property, as determined by the Secretary.

(B) PURCHASE PRICE EXCEEDS VALUE.—If the purchase price of the property exceeds the reasonable value of the property, as determined by the Secretary, the required downpayment shall be the difference between such reasonable value and the purchase price.

(2) CLOSING COSTS.—The closing costs and origination fee for such mortgage may be included in the loan amount.

(3) INSURANCE PREMIUM PAYMENT.—There shall be one insurance premium payment due on the mortgage. Such insurance premium payment—

(A) shall be equal to 1 percent of the loan amount;

(B) shall be due and considered earned by the Secretary at the time of the loan closing; and

(C) may be included in the loan amount and paid from the loan proceeds.

(d) LOCALLY-DESIGNATED HIGH-CRIME AREA.—

(1) IN GENERAL.—Any unit of local government may request that the Secretary designate any area within the jurisdiction of that unit of local government as a locally-designated high-crime area for purposes of this section if the proposed area—

(A) has a crime rate that is significantly higher than the crime rate of the non-designated area that is within the jurisdiction of the unit of local government; and

(B) has a population that is not more than 25 percent of the total population of area within the jurisdiction of the unit of local government.

(2) DEADLINE FOR CONSIDERATION OF REQUEST.—Not later than 60 days after receiving a request under paragraph (1), the Secretary shall approve or disapprove the request.

(e) LAW ENFORCEMENT OFFICER.—For purposes of this section, the term ''law enforcement officer'' has such meaning as the Secretary shall provide, except that such term shall include any individual who is employed as an officer in a correctional institution.

(f) SUNSET.—The Secretary shall not approve any application for assistance under this section that is received by the Secretary after the expiration of the 3-year period beginning on the date that the Secretary first makes available assistance under the pilot program under this section.

SEC. 204. ASSISTANCE FOR SELF-HELP HOUSING PROVIDERS.

(a) REAUTHORIZATION.—Subsection (p) of section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) is amended to read as follows:

''(p) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2001, 2002, and 2003.''.

(b) ELIGIBLE EXPENSES.—Section 11(d)(2)(A) of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) is amended by inserting before the period at the end the following: '', which may include reimbursing an organization, consortium, or affiliate, upon approval of any required environmental review, for nongrant amounts of the organization, consortium, or affiliate advanced before such review to acquire land''.

(c) DEADLINE FOR RECAPTURE OF FUNDS.—Section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) is amended—

(1) in subsection (i)(5)—

(A) by striking ''if the organization or consortia has not used any grant amounts'' and inserting ''the Secretary shall recapture any grant amounts provided to the organization or consortia that are not used'';

(B) by striking ''(or,'' and inserting '', except that such period shall be 36 months''; and

(C) by striking ''within 36 months), the Secretary shall recapture such unused amounts'' and inserting ''and in the case of a grant amounts provided to a local affiliate of the organization or consortia that is developing five or more dwellings in connection with such grant amounts''; and

(2) in subsection (j), by inserting after ''carry out this section'' the following: ''and grant amounts provided to a local affiliate of the organization or consortia that is developing five or more dwellings in connection with such grant amounts''.

(d) TECHNICAL CORRECTIONS.—Section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) is amended—

(1) in subsection (b)(4), by striking ''Habitat for Humanity International, its affiliates, and other''; and

(2) in subsection (e)(2), by striking ''consoria'' and inserting ''consortia''.

TITLE III—SECTION 8 HOMEOWNERSHIP OPTION

SEC. 301. DOWNPAYMENT ASSISTANCE.

(a) AMENDMENTS.—Section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)) is amended—

(1) by redesignating paragraph (7) as paragraph (8); and

(2) by inserting after paragraph (6) the following new paragraph:

''(7) DOWNPAYMENT ASSISTANCE.—

''(A) AUTHORITY.—A public housing agency may, in lieu of providing monthly assistance payments under this subsection on behalf of a family eligible for such assistance and at the discretion of the public housing agency, provide assistance for the family in the form of a single grant to be used only as a contribution toward the downpayment required in connection with the purchase of a dwelling for fiscal year 2000 and each fiscal year thereafter to the extent provided in advance in appropriations Acts.

''(B) AMOUNT.—The amount of a downpayment grant on behalf of an assisted family may not exceed the amount that is equal to the sum of the assistance payments that would be made during the first year of assistance on behalf of the family, based upon the income of the family at the time the grant is to be made.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect immediately after the amendments made by section 555(c) of the Quality Housing and Work Responsibility Act of 1998 take effect pursuant to such section.

SEC. 302. PILOT PROGRAM FOR HOMEOWNERSHIP ASSISTANCE FOR DISABLED FAMILIES.

(a) IN GENERAL.—A public housing agency providing tenant-based assistance on behalf of an eligible family under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) may provide assistance for a disabled family that purchases a dwelling unit (including a dwelling unit under a lease-purchase agreement) that will be owned by one or more members of the disabled family and will be occupied by the disabled family, if the disabled family—

(1) purchases the dwelling unit before the expiration of the 3-year period beginning on the date that the Secretary first implements the pilot program under this section;

(2) demonstrates that the disabled family has income from employment or other sources (including public assistance), as determined in accordance with requirements of the Secretary, that is not less than twice the payment standard established by the public housing agency (or such other amount as may be established by the Secretary);

(3) except as provided by the Secretary, demonstrates at the time the disabled family initially receives tenant-based assistance under this section that one or more adult members of the disabled family have achieved employment for the period as the Secretary shall require;

(4) participates in a homeownership and housing counseling program provided by the agency; and

(5) meets any other initial or continuing requirements established by the public housing agency in accordance with requirements established by the Secretary.

(b) DETERMINATION OF AMOUNT OF ASSISTANCE.—

(1) IN GENERAL.—

(A) MONTHLY EXPENSES NOT EXCEEDING PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, do not exceed the payment standard, the monthly assistance payment shall be the amount by which the homeownership expenses exceed the highest of the following amounts, rounded to the nearest dollar:

(i) 30 percent of the monthly adjusted income of the disabled family.

(ii) 10 percent of the monthly income of the disabled family.

(iii) If the disabled family is receiving payments for welfare assistance from a public agency, and a portion of those payments, adjusted in accordance with the actual housing costs of the disabled family, is specifically designated by that agency to meet the housing costs of the disabled family, the portion of those payments that is so designated.

(B) MONTHLY EXPENSES EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, exceed the payment standard, the monthly assistance payment shall be the amount by which the applicable payment standard exceeds the highest of the amounts under clauses (i), (ii), and (iii) of subparagraph (A).

(2) CALCULATION OF AMOUNT.—

(A) LOW-INCOME FAMILIES.—A disabled family that is a low-income family shall be eligible to receive 100 percent of the amount calculated under paragraph (1).

(B) INCOME BETWEEN 81 AND 89 PERCENT OF MEDIAN.—A disabled family whose income is between 81 and 89 percent of the median for the area shall be eligible to receive 66 percent of the amount calculated under paragraph (1).

(C) INCOME BETWEEN 90 AND 99 PERCENT OF MEDIAN.—A disabled family whose income is between 90 and 99 percent of the median for the area shall be eligible to receive 33 percent of the amount calculated under paragraph (1).

(D) INCOME MORE THAN 99 PERCENT OF MEDIAN.—A disabled family whose income is more than 99 percent of the median for the area shall not be eligible to receive assistance under this section.

(c) INSPECTIONS AND CONTRACT CONDITIONS.—

(1) IN GENERAL.—Each contract for the purchase of a dwelling unit to be assisted under this section shall—

(A) provide for pre-purchase inspection of the dwelling unit by an independent professional; and

(B) require that any cost of necessary repairs be paid by the seller.

(2) ANNUAL INSPECTIONS NOT REQUIRED.—The requirement under subsection (o)(8)(A)(ii) of section 8 of the United States Housing Act of 1937 for annual inspections shall not apply to dwelling units assisted under this section.

(d) OTHER AUTHORITY OF THE SECRETARY.—The Secretary may—

(1) limit the term of assistance for a disabled family assisted under this section;

(2) provide assistance for a disabled family for the entire term of a mortgage for a dwelling unit if the disabled family remains eligible for such assistance for such term; and

(3) modify the requirements of this section as the Secretary determines to be necessary to make appropriate adaptations for lease-purchase agreements.

(e) ASSISTANCE PAYMENTS SENT TO LENDER.—The Secretary shall remit assistance payments under this section directly to the mortgagee of the dwelling unit purchased by the disabled family receiving such assistance payments.

(f) INAPPLICABILITY OF CERTAIN PROVISIONS.—Assistance under this section shall not be subject to the requirements of the following provisions:

(1) Subsection (c)(3)(B) of section 8 of the United States Housing Act of 1937.

(2) Subsection (d)(1)(B)(i) of section 8 of the United States Housing Act of 1937.

(3) Any other provisions of section 8 of the United States Housing Act of 1937 governing maximum amounts payable to owners and amounts payable by assisted families.

(4) Any other provisions of section 8 of the United States Housing Act of 1937 concerning contracts between public housing agencies and owners.

(5) Any other provisions of the United States Housing Act of 1937 that are inconsistent with the provisions of this section.

(g) REVERSION TO RENTAL STATUS.—

(1) NON-FHA MORTGAGES.—If a disabled family receiving assistance under this section defaults under a mortgage not insured under the National Housing Act, the disabled family may not continue to receive rental assistance under section 8 of the United States Housing Act of 1937 unless it complies with requirements established by the Secretary.

(2) ALL MORTGAGES.—A disabled family receiving assistance under this section that defaults under a mortgage may not receive assistance under this section for occupancy of another dwelling unit owned by 1 or more members of the disabled family.

(3) EXCEPTION.—This subsection shall not apply if the Secretary determines that the disabled family receiving assistance under this section defaulted under a mortgage due to catastrophic medical reasons or due to the impact of a federally declared major disaster or emergency.

(h) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall issue regulations to implement this section. Such regulations may not prohibit any public housing agency providing tenant-based assistance on behalf of an eligible family under section 8 of the United States Housing Act of 1937 from participating in the pilot program under this section.

(i) DEFINITION OF DISABLED FAMILY.—For the purposes of this section, the term ''disabled family'' has the meaning given the term ''person with disabilities'' in section 811(k)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(k)(2)).

SEC. 303. FUNDING FOR PILOT PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary for fiscal year 2001 for assistance in connection with the existing homeownership pilot programs carried out under the demonstration program authorized under to section 555(b) of the Quality Housing and Work Responsibility Act of 1998 (Public Law 105–276; 112 Stat. 2613).

(b) USE.—Subject to subsection (c), amounts made available pursuant to this section shall be used only through such homeownership pilot programs to provide, on behalf of families participating in such programs, amounts for downpayments in connection with dwellings purchased by such families using assistance made available under section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)). No such downpayment grant may exceed 20 percent of the appraised value of the dwelling purchased with assistance under such section 8(y).

(c) MATCHING REQUIREMENT.—The amount of assistance made available under this section for any existing homeownership pilot program may not exceed twice the amount donated from sources other than this section for use under the program for assistance described in subsection (b). Amounts donated from other sources may include amounts from State housing finance agencies and Neighborhood Housing Services of America.

TITLE IV—PRIVATE MORTGAGE INSURANCE CANCELLATION AND TERMINATION

SEC. 401. SHORT TITLE.

This title may be cited as the ''Private Mortgage Insurance Technical Corrections and Clarification Act''.

SEC. 402. CHANGES IN AMORTIZATION SCHEDULE.

(a) TREATMENT OF ADJUSTABLE RATE MORTGAGES.—The Homeowners Protection Act of 1998 (12 U.S.C. 4901 et seq.) is amended—

(1) in section 2—

(A) in paragraph (2)(B)(i), by striking ''amortization schedules'' and inserting ''the amortization schedule then in effect'';

(B) in paragraph (16)(B), by striking ''amortization schedules'' and inserting ''the amortization schedule then in effect'';

(C) by redesignating paragraphs (6) through (16) (as amended by the preceding provisions of this paragraph) as paragraphs (8) through (18), respectively; and

(D) by inserting after paragraph (5) the following new paragraph:

''(6) AMORTIZATION SCHEDULE THEN IN EFFECT.—The term 'amortization schedule then in effect' means, with respect to an adjustable rate mortgage, a schedule established at the time at which the residential mortgage transaction is consummated or, if such schedule has been changed or recalculated, is the most recent schedule under the terms of the note or mortgage, which shows—

''(A) the amount of principal and interest that is due at regular intervals to retire the principal balance and accrued interest over the remaining amortization period of the loan; and

''(B) the unpaid balance of the loan after each such scheduled payment is made.''; and

(2) in section 3(f)(1)(B)(ii), by striking ''amortization schedules'' and inserting ''the amortization schedule then in effect''.

(b) TREATMENT OF BALLOON MORTGAGES.—Paragraph (1) of section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901(1)) is amended by adding at the end the following new sentence: ''A residential mortgage that (A) does not fully amortize over the term of the obligation, and (B) contains a conditional right to refinance or modify the unamortized principal at the maturity date of the term, shall be considered to be an adjustable rate mortgage for purposes of this Act.''.

(c) TREATMENT OF LOAN MODIFICATIONS.—

(1) IN GENERAL.—Section 3 of the Homeowners Protection Act of 1998 (12 U.S.C. 4902) is amended—

(A) by redesignating subsections (d) through (f) as subsections (e) through (g), respectively; and

(B) by inserting after subsection (c) the following new subsection:

''(d) TREATMENT OF LOAN MODIFICATIONS.—If a mortgagor and mortgagee (or holder of the mortgage) agree to a modification of the terms or conditions of a loan pursuant to a residential mortgage transaction, the cancellation date, termination date, or final termination shall be recalculated to reflect the modified terms and conditions of such loan.''.

(2) CONFORMING AMENDMENTS.—Section 4(a) of the Homeowners Protection Act of 1998 (12 U.S.C. 4903(a)) is amended—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''section 3(f)(1)'' and inserting ''section 3(g)(1)'';

(ii) in subparagraph (A)(ii)(IV), by striking ''section 3(f)'' and inserting ''section 3(g)''; and

(iii) in subparagraph (B)(iii), by striking ''section 3(f)'' and inserting ''section 3(g)''; and

(B) in paragraph (2), by striking ''section 3(f)(1)'' and inserting ''section 3(g)(1)''.

SEC. 403. DELETION OF AMBIGUOUS REFERENCES TO RESIDENTIAL MORTGAGES.

(a) TERMINATION OF PRIVATE MORTGAGE INSURANCE.—Section 3 of the Homeowners Protection Act of 1998 (12 U.S.C. 4902) is amended—

(1) in subsection (c), by inserting ''on residential mortgage transactions'' after ''imposed''; and

(2) in subsection (g) (as so redesignated by the preceding provisions of this title)—

(A) in paragraph (1), in the matter preceding subparagraph (A), by striking ''mortgage or'';

(B) in paragraph (2), by striking ''mortgage or''; and

(C) in paragraph (3), by striking ''mortgage or'' and inserting ''residential mortgage or residential''.

(b) DISCLOSURE REQUIREMENTS.—Section 4 of the Homeowners Protection Act of 1998 (12 U.S.C. 4903(a)) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''mortgage or'' the first place it appears; and

(ii) by striking ''mortgage or'' the second place it appears and inserting ''residential''; and

(B) in paragraph (2), by striking ''mortgage or'' and inserting ''residential'';

(2) in subsection (c), by striking ''paragraphs (1)(B) and (3) of subsection (a)'' and inserting ''subsection (a)(3)''; and

(3) in subsection (d), by inserting before the period at the end the following: '', which disclosures shall relate to the mortgagor's rights under this Act''.

(c) DISCLOSURE REQUIREMENTS FOR LENDER-PAID MORTGAGE INSURANCE.—Section 6 of the Homeowners Protection Act of 1998 (12 U.S.C. 4905) is amended—

(1) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking ''a residential mortgage or''; and

(B) in paragraph (2), by inserting ''transaction'' after ''residential mortgage''; and

(2) in subsection (d), by inserting ''transaction'' after ''residential mortgage''.

SEC. 404. CANCELLATION RIGHTS AFTER CANCELLATION DATE.

Section 3 of the Homeowners Protection Act of 1998 (12 U.S.C. 4902) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting after ''cancellation date'' the following: ''or any later date that the mortgagor fulfills all of the requirements under paragraphs (1) through (4)'';

(B) in paragraph (2), by striking ''and'' at the end;

(C) by redesignating paragraph (3) as paragraph (4); and

(D) by inserting after paragraph (2) the following new paragraph:

''(3) is current on the payments required by the terms of the residential mortgage transaction; and''; and

(2) in subsection (e)(1)(B) (as so redesignated by the preceding provisions of this title), by striking ''subsection (a)(3)'' and inserting ''subsection (a)(4)''.

SEC. 405. CLARIFICATION OF CANCELLATION AND TERMINATION ISSUES AND LENDER PAID MORTGAGE INSURANCE DISCLOSURE REQUIREMENTS.

(a) GOOD PAYMENT HISTORY.—Section 2(4) of the Homeowners Protection Act of 1998 (12 U.S.C. 4901(4)) is amended—

(1) in subparagraph (A)—

(A) by inserting ''the later of (i)'' before ''the date''; and

(B) by inserting '', or (ii) the date that the mortgagor submits a request for cancellation under section 3(a)(1)'' before the semicolon; and

(2) in subparagraph (B)—

(A) by inserting ''the later of (i)'' before ''the date''; and

(B) by inserting '', or (ii) the date that the mortgagor submits a request for cancellation under section 3(a)(1)'' before the period at the end.

(b) AUTOMATIC TERMINATION.—Paragraph (2) of section 3(b) of the Homeowners Protection Act of 1998 (12 U.S.C. 4902(b)(2)) is amended to read as follows:

''(2) if the mortgagor is not current on the termination date, on the first day of the first month beginning after the date that the mortgagor becomes current on the payments required by the terms of the residential mortgage transaction.''

(c) PREMIUM PAYMENTS.—Section 3 of the Homeowners Protection Act of 1998 (12 U.S.C. 4902) is amended by adding at the end the following new subsection:

''(h) ACCRUED OBLIGATION FOR PREMIUM PAYMENTS.—The cancellation or termination under this section of the private mortgage insurance of a mortgagor shall not affect the rights of any mortgagee, servicer, or mortgage insurer to enforce any obligation of such mortgagor for premium payments accrued prior to the date on which such cancellation or termination occurred.''.

SEC. 406. DEFINITIONS.

(a) REFINANCED.—Section 6(c)(1)(B)(ii) of the Homeowners Protection Act of 1998 (12 U.S.C. 4905(c)(1)(B)(ii)) is amended by inserting after ''refinanced'' the following: ''(under the meaning given such term in the regulations issued by the Board of Governors of the Federal Reserve System to carry out the Truth in Lending Act (15 U.S.C. 1601 et seq.))''.

(b) MIDPOINT OF THE AMORTIZATION PERIOD.—Section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901) is amended by inserting after paragraph (6) (as added by the preceding provisions of this title) the following new paragraph:

''(7) MIDPOINT OF THE AMORTIZATION PERIOD.—The term 'midpoint of the amortization period' means, with respect to a residential mortgage transaction, the point in time that is halfway through the period that begins upon the first day of the amortization period established at the time a residential mortgage transaction is consummated and ends upon the completion of the entire period over which the mortgage is scheduled to be amortized.''.

(c) ORIGINAL VALUE.—Section 2(12) of the Homeowners Protection Act of 1998 (12 U.S.C. 4901(10)) (as so redesignated by the preceding provisions of this title) is amended—

(1) by inserting ''transaction'' after ''a residential mortgage''; and

(2) by adding at the end the following new sentence: ''In the case of a residential mortgage transaction for refinancing the principal residence of the mortgagor, such term means only the appraised value relied upon by the mortgagee to approve the refinance transaction.''.

(d) PRINCIPAL RESIDENCE.—Section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901) is amended—

(1) in paragraph (14) (as so redesignated by the preceding provisions of this title) by striking ''primary'' and inserting ''principal''; and

(2) in paragraph (15) (as so redesignated by the preceding provisions of this title) by striking ''primary'' and inserting ''principal'';

TITLE V—NATIVE AMERICAN HOMEOWNERSHIP

Subtitle A—Native American Housing

SEC. 501. LANDS TITLE REPORT COMMISSION.

(a) ESTABLISHMENT.—Subject to sums being provided in advance in appropriations Acts, there is established a Commission to be known as the Lands Title Report Commission (hereafter in this section referred to as the ''Commission'') to facilitate home loan mortgages on Indian trust lands. The Commission will be subject to oversight by the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(b) MEMBERSHIP.—

(1) APPOINTMENT.—The Commission shall be composed of 12 members, appointed not later than 90 days after the date of the enactment of this Act as follows:

(A) Four members shall be appointed by the President.

(B) Four members shall be appointed by the Chairperson of the Committee on Banking and Financial Services of the House of Representatives.

(C) Four members shall be appointed by the Chairperson of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) QUALIFICATIONS.—

(A) MEMBERS OF TRIBES.—At all times, not less than eight of the members of the Commission shall be members of federally recognized Indian tribes.

(B) EXPERIENCE IN LAND TITLE MATTERS.—All members of the Commission shall have experience in and knowledge of land title matters relating to Indian trust lands.

(3) CHAIRPERSON.—The Chairperson of the Commission shall be one of the members of the Commission appointed under paragraph (1)(C), as elected by the members of the Commission.

(4) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(5) TRAVEL EXPENSES.—Members of the Commission shall serve without pay, but each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(c) INITIAL MEETING.—The Chairperson of the Commission shall call the initial meeting of the Commission. Such meeting shall be held within 30 days after the Chairperson of the Commission determines that sums sufficient for the Commission to carry out its duties under this Act have been appropriated for such purpose.

(d) DUTIES.—The Commission shall analyze the system of the Bureau of Indian Affairs of the Department of the Interior for maintaining land ownership records and title documents and issuing certified title status reports relating to Indian trust lands and, pursuant to such analysis, determine how best to improve or replace the system—

(1) to ensure prompt and accurate responses to requests for title status reports;

(2) to eliminate any backlog of requests for title status reports; and

(3) to ensure that the administration of the system will not in any way impair or restrict the ability of Native Americans to obtain conventional loans for purchase of residences located on Indian trust lands, including any actions necessary to ensure that the system will promptly be able to meet future demands for certified title status reports, taking into account the anticipated complexity and volume of such requests.

(e) REPORT.—Not later than the date of the termination of the Commission under subsection (h), the Commission shall submit a report to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate describing the analysis and determinations made pursuant to subsection (d).

(f) POWERS.—

(1) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this section, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate.

(2) STAFF OF FEDERAL AGENCIES.—Upon request of the Commission, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this section.

(3) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairperson of the Commission, the head of that department or agency shall furnish that information to the Commission.

(4) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its duties under this section.

(6) STAFF.—The Commission may appoint personnel as it considers appropriate, subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall pay such personnel in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary, and any amounts appropriated pursuant to this subsection shall remain available until expended.

(h) TERMINATION.—The Commission shall terminate 1 year after the date of the initial meeting of the Commission.

SEC. 502. LOAN GUARANTEES.

Section 184(i) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(i)) is amended—

(1) in paragraph (5), by striking subparagraph (C) and inserting the following new subparagraph:

''(C) LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.—Subject to the limitations in subparagraphs (A) and (B), the Secretary may enter into commitments to guarantee loans under this section in each fiscal year with an aggregate outstanding principal amount not exceeding such amount as may be provided in appropriation Acts for such fiscal year.''; and

(2) in paragraph (7), by striking ''each of fiscal years 1997, 1998, 1999, 2000, and 2001'' and inserting ''each fiscal year''.

SEC. 503. NATIVE AMERICAN HOUSING ASSISTANCE.

(a) RESTRICTION ON WAIVER AUTHORITY.—

(1) IN GENERAL.—Section 101(b)(2) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111(b)(2)) is amended by striking ''if the Secretary'' and all that follows through the period at the end and inserting the following: ''for a period of not more than 90 days, if the Secretary determines that an Indian tribe has not complied with, or is unable to comply with, those requirements due to exigent circumstances beyond the control of the Indian tribe.''.

(2) LOCAL COOPERATION AGREEMENT.—Section 101(c) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111(c)) is amended by adding at the end the following: ''The Secretary may waive the requirements of this subsection and subsection (d) if the recipient has made a good faith effort to fulfill the requirements of this subsection and subsection (d) and agrees to make payments in lieu of taxes to the appropriate taxing authority in an amount consistent with the requirements of subsection (d)(2) until such time as the matter of making such payments has been resolved in accordance with subsection (d).''.

(b) ASSISTANCE TO FAMILIES THAT ARE NOT LOW-INCOME.—Section 102(c) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4112(c)) is amended by adding at the end the following:

''(6) CERTAIN FAMILIES.—With respect to assistance provided under section 201(b)(2) by a recipient to Indian families that are not low-income families, evidence that there is a need for housing for each such family during that period that cannot reasonably be met without such assistance.''.

(c) ELIMINATION OF WAIVER AUTHORITY FOR SMALL TRIBES.—Section 102 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4112) is amended—

(1) by striking subsection (f); and

(2) by redesignating subsection (g) as subsection (f).

(d) ENVIRONMENTAL COMPLIANCE.—Section 105 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4115) is amended by adding at the end the following:

''(d) ENVIRONMENTAL COMPLIANCE.—The Secretary may waive the requirements under this section if the Secretary determines that a failure on the part of a recipient to comply with provisions of this section—

''(1) will not frustrate the goals of the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) or any other provision of law that furthers the goals of that Act;

''(2) does not threaten the health or safety of the community involved by posing an immediate or long-term hazard to residents of that community;

''(3) is a result of inadvertent error, including an incorrect or incomplete certification provided under subsection (c)(1); and

''(4) may be corrected through the sole action of the recipient.''.

(e) ELIGIBILITY OF LAW ENFORCEMENT OFFICERS FOR HOUSING ASSISTANCE.—Section 201(b) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4131(b)) is amended—

(1) in paragraph (1), by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (4)'';

(2) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(3) by inserting after paragraph (3) the following new paragraph:

''(4) LAW ENFORCEMENT OFFICERS.—A recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this Act for a law enforcement officer on an Indian reservation or other Indian area, if—

''(A) the officer—

''(i) is employed on a full-time basis by the Federal Government or a State, county, or tribal government; and

''(ii) in implementing such full-time employment, is sworn to uphold, and make arrests for, violations of Federal, State, county, or tribal law; and

''(B) the recipient determines that the presence of the law enforcement officer on the Indian reservation or other Indian area may deter crime.''.

(f) OVERSIGHT.—

(1) REPAYMENT.—Section 209 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4139) is amended to read as follows:

''SEC. 209. NONCOMPLIANCE WITH AFFORDABLE HOUSING REQUIREMENT.

''If a recipient uses grant amounts to provide affordable housing under this title, and at any time during the useful life of the housing the recipient does not comply with the requirement under section 205(a)(2), the Secretary shall take appropriate action under section 401(a).''.

(2) AUDITS AND REVIEWS.—Section 405 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4165) is amended to read as follows:

''SEC. 405. REVIEW AND AUDIT BY SECRETARY.

''(a) REQUIREMENTS UNDER CHAPTER 75 OF TITLE 31, UNITED STATES CODE.—An entity designated by an Indian tribe as a housing entity shall be treated, for purposes of chapter 75 of title 31, United States Code, as a non-Federal entity that is subject to the audit requirements that apply to non-Federal entities under that chapter.

''(b) ADDITIONAL REVIEWS AND AUDITS.—

''(1) IN GENERAL.—In addition to any audit or review under subsection (a), to the extent the Secretary determines such action to be appropriate, the Secretary may conduct an audit or review of a recipient in order to—

''(A) determine whether the recipient—

''(i) has carried out—

''(I) eligible activities in a timely manner; and

''(II) eligible activities and certification in accordance with this Act and other applicable law;

''(ii) has a continuing capacity to carry out eligible activities in a timely manner; and

''(iii) is in compliance with the Indian housing plan of the recipient; and

''(B) verify the accuracy of information contained in any performance report submitted by the recipient under section 404.

''(2) ON-SITE VISITS.—To the extent practicable, the reviews and audits conducted under this subsection shall include on-site visits by the appropriate official of the Department of Housing and Urban Development.

''(c) REVIEW OF REPORTS.—

''(1) IN GENERAL.—The Secretary shall provide each recipient that is the subject of a report made by the Secretary under this section notice that the recipient may review and comment on the report during a period of not less than 30 days after the date on which notice is issued under this paragraph.

''(2) PUBLIC AVAILABILITY.—After taking into consideration any comments of the recipient under paragraph (1), the Secretary—

''(A) may revise the report; and

''(B) not later than 30 days after the date on which those comments are received, shall make the comments and the report (with any revisions made under subparagraph (A)) readily available to the public.

''(d) EFFECT OF REVIEWS.—Subject to section 401(a), after reviewing the reports and audits relating to a recipient that are submitted to the Secretary under this section, the Secretary may adjust the amount of a grant made to a recipient under this Act in accordance with the findings of the Secretary with respect to those reports and audits.''.

(g) ALLOCATION FORMULA.—Section 302(d)(1) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4152(d)(1)) is amended—

(1) by striking ''The formula,'' and inserting the following:

''(A) IN GENERAL.—Except with respect to an Indian tribe described in subparagraph (B), the formula''; and

(2) by adding at the end the following:

''(B) CERTAIN INDIAN TRIBES.—With respect to fiscal year 2001 and each fiscal year thereafter, for any Indian tribe with an Indian housing authority that owns or operates fewer than 250 public housing units, the formula shall provide that if the amount provided for a fiscal year in which the total amount made available for assistance under this Act is equal to or greater than the amount made available for fiscal year 1996 for assistance for the operation and modernization of the public housing referred to in subparagraph (A), then the amount provided to that Indian tribe as modernization assistance shall be equal to the average annual amount of funds provided to the Indian tribe (other than funds provided as emergency assistance) under the assistance program under section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437*l*) for the period beginning with fiscal year 1992 and ending with fiscal year 1997.''.

(h) HEARING REQUIREMENT.—Section 401(a) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4161(a)) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and realigning such subparagraphs (as so redesignated) so as to be indented 4 ems from the left margin;

(2) by striking ''Except as provided'' and inserting the following:

''(1) IN GENERAL.—Except as provided'';

(3) by striking ''If the Secretary takes an action under paragraph (1), (2), or (3)'' and inserting the following:

''(2) CONTINUANCE OF ACTIONS.—If the Secretary takes an action under subparagraph (A), (B), or (C) of paragraph (1)''; and

(4) by adding at the end the following:

''(3) EXCEPTION FOR CERTAIN ACTIONS.—

''(A) IN GENERAL.—Notwithstanding any other provision of this subsection, if the Secretary makes a determination that the failure of a recipient of assistance under this Act to comply substantially with any material provision (as that term is defined by the Secretary) of this Act is resulting, and would continue to result, in a continuing expenditure of Federal funds in a manner that is not authorized by law, the Secretary may take an action described in paragraph (1)(C) before conducting a hearing.

''(B) PROCEDURAL REQUIREMENT.—If the Secretary takes an action described in subparagraph (A), the Secretary shall—

''(i) provide notice to the recipient at the time that the Secretary takes that action; and

''(ii) conduct a hearing not later than 60 days after the date on which the Secretary provides notice under clause (i).

''(C) DETERMINATION.—Upon completion of a hearing under this paragraph, the Secretary shall make a determination regarding whether to continue taking the action that is the subject of the hearing, or take another action under this subsection.''.

(i) PERFORMANCE AGREEMENT TIME LIMIT.—Section 401(b) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4161(b)) is amended—

(1) by striking ''If the Secretary'' and inserting the following:

''(1) IN GENERAL.—If the Secretary'';

(2) by striking ''(1) is not'' and inserting the following:

''(A) is not'';

(3) by striking ''(2) is a result'' and inserting the following:

''(B) is a result'';

(4) in the flush material following paragraph (1)(B), as redesignated by paragraph (3) of this subsection—

(A) by realigning such material so as to be indented 2 ems from the left margin; and

(B) by inserting before the period at the end the following: '', if the recipient enters into a performance agreement with the Secretary that specifies the compliance objectives that the recipient will be required to achieve by the termination date of the performance agreement''; and

(5) by adding at the end the following:

''(2) PERFORMANCE AGREEMENT.—The period of a performance agreement described in paragraph (1) shall be for 1 year.

''(3) REVIEW.—Upon the termination of a performance agreement entered into under paragraph (1), the Secretary shall review the performance of the recipient that is a party to the agreement.

''(4) EFFECT OF REVIEW.—If, on the basis of a review under paragraph (3), the Secretary determines that the recipient—

''(A) has made a good faith effort to meet the compliance objectives specified in the agreement, the Secretary may enter into an additional performance agreement for the period specified in paragraph (2); and

''(B) has failed to make a good faith effort to meet applicable compliance objectives, the Secretary shall determine the recipient to have failed to comply substantially with this Act, and the recipient shall be subject to an action under subsection (a).''.

(j) LABOR STANDARDS.—Section 104(b) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4114(b) is amended—

(1) in paragraph (1), by striking ''Davis-Bacon Act (40 U.S.C. 276a–276a–5)'' and inserting ''Act of March 3, 1931 (commonly known as the Davis-Bacon Act; chapter 411; 46 Stat. 1494; 40 U.S.C 276a et seq.)''; and

(2) by adding at the end the following new paragraph:

''(3) APPLICATION OF TRIBAL LAWS.—Paragraph (1) shall not apply to any contract or agreement for assistance, sale, or lease pursuant to this Act, if such contract or agreement is otherwise covered by one or more laws or regulations adopted by an Indian tribe that requires the payment of not less than prevailing wages, as determined by the Indian tribe.''.

(k) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TABLE OF CONTENTS.—Section 1(b) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 note) is amended in the table of contents—

(A) by striking the item relating to section 206; and

(B) by striking the item relating to section 209 and inserting the following:

''209. Noncompliance with affordable housing requirement.''.

(2) CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.—Section 206 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4136) is repealed.

(3) TERMINATIONS.—Section 502(a) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4181(a)) is amended by adding at the end the following: ''Any housing that is the subject of a contract for tenant-based assistance between the Secretary and an Indian housing authority that is terminated under this section shall, for the following fiscal year and each fiscal year thereafter, be considered to be a dwelling unit under section 302(b)(1).''.

Subtitle B—Native Hawaiian Housing

SEC. 511. SHORT TITLE.

This subtitle may be cited as the ''Hawaiian Homelands Homeownership Act of 2000''.

SEC. 512. FINDINGS.

The Congress finds that—

(1) the United States has undertaken a responsibility to promote the general welfare of the United States by—

(A) employing its resources to remedy the unsafe and unsanitary housing conditions and the acute shortage of decent, safe, and sanitary dwellings for families of lower income; and

(B) developing effective partnerships with governmental and private entities to accomplish the objectives referred to in subparagraph (A);

(2) the United States has a special responsibility for the welfare of the Native peoples of the United States, including Native Hawaiians;

(3) pursuant to the provisions of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.), the United States set aside 200,000 acres of land in the Federal territory that later became the State of Hawaii in order to establish a homeland for the native people of Hawaii—Native Hawaiians;

(4) despite the intent of Congress in 1920 to address the housing needs of Native Hawaiians through the enactment of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.), Native Hawaiians eligible to reside on the Hawaiian home lands have been foreclosed from participating in Federal housing assistance programs available to all other eligible families in the United States;

(5) although Federal housing assistance programs have been administered on a racially neutral basis in the State of Hawaii, Native Hawaiians continue to have the greatest unmet need for housing and the highest rates of overcrowding in the United States;

(6) among the Native American population of the United States, Native Hawaiians experience the highest percentage of housing problems in the United States, as the percentage—

(A) of housing problems in the Native Hawaiian population is 49 percent, as compared to—

(i) 44 percent for American Indian and Alaska Native households in Indian country; and

(ii) 27 percent for all other households in the United States; and

(B) overcrowding in the Native Hawaiian population is 36 percent as compared to 3 percent for all other households in the United States;

(7) among the Native Hawaiian population, the needs of Native Hawaiians, as that term is defined in section 801 of the Native American Housing Assistance and Self-Determination Act of 1996 (as added by this subtitle), eligible to reside on the Hawaiian Home Lands are the most severe, as—

(A) the percentage of overcrowding in Native Hawaiian households on the Hawaiian Home Lands is 36 percent; and

(B) approximately 13,000 Native Hawaiians, which constitute 95 percent of the Native Hawaiians who are eligible to reside on the Hawaiian Home Lands, are in need of housing;

(8) applying the Department of Housing and Urban Development guidelines—

(A) 70.8 percent of Native Hawaiians who either reside or who are eligible to reside on the Hawaiian Home Lands have incomes that fall below the median family income; and

(B) 50 percent of Native Hawaiians who either reside or who are eligible to reside on the Hawaiian Home Lands have incomes below 30 percent of the median family income;

(9) ⅓ of those Native Hawaiians who are eligible to reside on the Hawaiian Home Lands pay more than 30 percent of their income for shelter, and ½ of those Native Hawaiians face overcrowding;

(10) the extraordinarily severe housing needs of Native Hawaiians demonstrate that Native Hawaiians who either reside on, or are eligible to reside on, Hawaiian Home Lands have been denied equal access to Federal low-income housing assistance programs available to other qualified residents of the United States, and that a more effective means of addressing their housing needs must be authorized;

(11) consistent with the recommendations of the National Commission on American Indian, Alaska Native, and Native Hawaiian Housing, and in order to address the continuing prevalence of extraordinarily severe housing needs among Native Hawaiians who either reside or are eligible to reside on the Hawaiian Home Lands, Congress finds it necessary to extend the Federal low-income housing assistance available to American Indians and Alaska Natives under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.) to those Native Hawaiians;

(12) under the treatymaking power of the United States, Congress had the constitutional authority to confirm a treaty between the United States and the government that represented the Hawaiian people, and from 1826 until 1893, the United States recognized the independence of the Kingdom of Hawaii, extended full diplomatic recognition to the Hawaiian Government, and entered into treaties and conventions with the Hawaiian monarchs to govern commerce and navigation in 1826, 1842, 1849, 1875, and 1887;

(13) the United States has recognized and reaffirmed that—

(A) Native Hawaiians have a cultural, historic, and land-based link to the indigenous people who exercised sovereignty over the Hawaiian Islands, and that group has never relinquished its claims to sovereignty or its sovereign lands;

(B) Congress does not extend services to Native Hawaiians because of their race, but because of their unique status as the indigenous people of a once sovereign nation as to whom the United States has established a trust relationship;

(C) Congress has also delegated broad authority to administer a portion of the Federal trust responsibility to the State of Hawaii;

(D) the political status of Native Hawaiians is comparable to that of American Indians and Alaska Natives; and

(E) the aboriginal, indigenous people of the United States have—

(i) a continuing right to autonomy in their internal affairs; and

(ii) an ongoing right of self-determination and self-governance that has never been extinguished;

(14) the political relationship between the United States and the Native Hawaiian people has been recognized and reaffirmed by the United States as evidenced by the inclusion of Native Hawaiians in—

(A) the Native American Programs Act of 1974 (42 U.S.C. 2291 et seq.);

(B) the American Indian Religious Freedom Act (42 U.S.C. 1996 et seq.);

(C) the National Museum of the American Indian Act (20 U.S.C. 80q et seq.);

(D) the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001 et seq.);

(E) the National Historic Preservation Act (16 U.S.C. 470 et seq.);

(F) the Native American Languages Act of 1992 (106 Stat. 3434);

(G) the American Indian, Alaska Native and Native Hawaiian Culture and Arts Development Act (20 U.S.C. 4401 et seq.);

(H) the Job Training Partnership Act (29 U.S.C. 1501 et seq.); and

(I) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.); and

(15) in the area of housing, the United States has recognized and reaffirmed the political relationship with the Native Hawaiian people through—

(A) the enactment of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.), which set aside approximately 200,000 acres of public lands that became known as Hawaiian Home Lands in the Territory of Hawaii that had been ceded to the United States for homesteading by Native Hawaiians in order to rehabilitate a landless and dying people;

(B) the enactment of the Act entitled ''An Act to provide for the admission of the State of Hawaii into the Union'', approved March 18, 1959 (73 Stat. 4)—

(i) by ceding to the State of Hawaii title to the public lands formerly held by the United States, and mandating that those lands be held in public trust, for the betterment of the conditions of Native Hawaiians, as that term is defined in section 201 of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.); and

(ii) by transferring the United States responsibility for the administration of Hawaiian Home Lands to the State of Hawaii, but retaining the authority to enforce the trust, including the exclusive right of the United States to consent to any actions affecting the lands which comprise the corpus of the trust and any amendments to the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.), enacted by the legislature of the State of Hawaii affecting the rights of beneficiaries under the Act;

(C) the authorization of mortgage loans insured by the Federal Housing Administration for the purchase, construction, or refinancing of homes on Hawaiian Home Lands under the National Housing Act (Public Law 479; 73d Congress; 12 U.S.C. 1701 et seq.);

(D) authorizing Native Hawaiian representation on the National Commission on American Indian, Alaska Native, and Native Hawaiian Housing under Public Law 101–235;

(E) the inclusion of Native Hawaiians in the definition under section 3764 of title 38, United States Code, applicable to subchapter V of chapter 37 of title 38, United States Code (relating to a housing loan program for Native American veterans); and

(F) the enactment of the Hawaiian Home Lands Recovery Act (109 Stat. 357; 48 U.S.C.

491, note prec.) which establishes a process for the conveyance of Federal lands to the Department of Hawaiian Homes Lands that are equivalent in value to lands acquired by the United States from the Hawaiian Home Lands inventory.

SEC. 513. HOUSING ASSISTANCE.

The Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.) is amended by adding at the end the following:

"TITLE VIII—HOUSING ASSISTANCE FOR NATIVE HAWAIIANS

"SEC. 801. DEFINITIONS.

''In this title:

''(1) DEPARTMENT OF HAWAIIAN HOME LANDS; DEPARTMENT.—The term 'Department of Hawaiian Home Lands' or 'Department' means the agency or department of the government of the State of Hawaii that is responsible for the administration of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.).

''(2) DIRECTOR.—The term 'Director' means the Director of the Department of Hawaiian Home Lands.

''(3) ELDERLY FAMILIES; NEAR-ELDERLY FAMILIES.—

''(A) IN GENERAL.—The term 'elderly family' or 'near-elderly family' means a family whose head (or his or her spouse), or whose sole member, is—

''(i) for an elderly family, an elderly person; or

''(ii) for a near-elderly family, a near-elderly person.

''(B) CERTAIN FAMILIES INCLUDED.—The term 'elderly family' or 'near-elderly family' includes—

''(i) two or more elderly persons or near-elderly persons, as the case may be, living together; and

''(ii) one or more persons described in clause (i) living with one or more persons determined under the housing plan to be essential to their care or well-being.

''(4) HAWAIIAN HOME LANDS.—The term 'Hawaiian Home Lands' means lands that—

''(A) have the status as Hawaiian home lands under section 204 of the Hawaiian Homes Commission Act, 1920(42 Stat. 110); or

''(B) are acquired pursuant to that Act.

''(5) HOUSING AREA.—The term 'housing area' means an area of Hawaiian Home Lands with respect to which the Department of Hawaiian Home Lands is authorized to provide assistance for affordable housing under this Act.

''(6) HOUSING ENTITY.—The term 'housing entity' means the Department of Hawaiian Home Lands.

''(7) HOUSING PLAN.—The term 'housing plan' means a plan developed by the Department of Hawaiian Home Lands.

''(8) MEDIAN INCOME.—The term 'median income' means, with respect to an area that is a Hawaiian housing area, the greater of—

''(A) the median income for the Hawaiian housing area, which shall be determined by the Secretary; or

''(B) the median income for the State of Hawaii.

''(9) NATIVE HAWAIIAN.—The term 'Native Hawaiian' means any individual who is—

''(A) a citizen of the United States; and

''(B) a descendant of the aboriginal people, who, prior to 1778, occupied and exercised sovereignty in the area that currently constitutes the State of Hawaii, as evidenced by—

''(i) genealogical records;

''(ii) verification by kupuna (elders) or kama'aina (long-term community residents); or

''(iii) birth records of the State of Hawaii.

"SEC. 802. BLOCK GRANTS FOR AFFORDABLE HOUSING ACTIVITIES.

''(a) GRANT AUTHORITY.—For each fiscal year, the Secretary shall (to the extent amounts are made available to carry out this title) make a grant under this title to the Department of Hawaiian Home Lands to carry out affordable housing activities for Native Hawaiian families who are eligible to reside on the Hawaiian Home Lands.

''(b) PLAN REQUIREMENT.—

''(1) IN GENERAL.—The Secretary may make a grant under this title to the Department of Hawaiian Home Lands for a fiscal year only if—

''(A) the Director has submitted to the Secretary a housing plan for that fiscal year; and

''(B) the Secretary has determined under section 804 that the housing plan complies with the requirements of section 803.

''(2) WAIVER.—The Secretary may waive the applicability of the requirements under paragraph (1), in part, if the Secretary finds that the Department of Hawaiian Home Lands has not complied or cannot comply with those requirements due to circumstances beyond the control of the Department of Hawaiian Home Lands.

''(c) USE OF AFFORDABLE HOUSING ACTIVITIES UNDER PLAN.—Except as provided in subsection (e), amounts provided under a grant under this section may be used only for affordable housing activities under this title that are consistent with a housing plan approved under section 804.

''(d) ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—The Secretary shall, by regulation, authorize the Department of Hawaiian Home Lands to use a percentage of any grant amounts received under this title for any reasonable administrative and planning expenses of the Department relating to carrying out this title and activities assisted with those amounts.

''(2) ADMINISTRATIVE AND PLANNING EXPENSES.—The administrative and planning expenses referred to in paragraph (1) include—

''(A) costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this title; and

''(B) expenses incurred in preparing a housing plan under section 803.

''(e) PUBLIC-PRIVATE PARTNERSHIPS.—The Director shall make all reasonable efforts, consistent with the purposes of this title, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in implementing a housing plan that has been approved by the Secretary under section 803.

"SEC. 803. HOUSING PLAN.

''(a) PLAN SUBMISSION.—The Secretary shall—

''(1) require the Director to submit a housing plan under this section for each fiscal year; and

''(2) provide for the review of each plan submitted under paragraph (1).

''(b) FIVE-YEAR PLAN.—Each housing plan under this section shall—

''(1) be in a form prescribed by the Secretary; and

''(2) contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

''(A) MISSION STATEMENT.—A general statement of the mission of the Department of Hawaiian Home Lands to serve the needs of the low-income families to be served by the Department.

''(B) GOAL AND OBJECTIVES.—A statement of the goals and objectives of the Department of Hawaiian Home Lands to enable the Department to serve the needs identified in subparagraph (A) during the period.

''(C) ACTIVITIES PLANS.—An overview of the activities planned during the period including an analysis of the manner in which the activities will enable the Department to meet its mission, goals, and objectives.

''(c) ONE-YEAR PLAN.—A housing plan under this section shall—

''(1) be in a form prescribed by the Secretary; and

''(2) contain the following information relating to the fiscal year for which the assistance under this title is to be made available:

''(A) GOALS AND OBJECTIVES.—A statement of the goals and objectives to be accomplished during the period covered by the plan.

''(B) STATEMENT OF NEEDS.—A statement of the housing needs of the low-income families served by the Department and the means by which those needs will be addressed during the period covered by the plan, including—

''(i) a description of the estimated housing needs and the need for assistance for the low-income families to be served by the Department, including a description of the manner in which the geographical distribution of assistance is consistent with—

''(I) the geographical needs of those families; and

''(II) needs for various categories of housing assistance; and

''(ii) a description of the estimated housing needs for all families to be served by the Department.

''(C) FINANCIAL RESOURCES.—An operating budget for the Department of Hawaiian Home Lands, in a form prescribed by the Secretary, that includes—

''(i) an identification and a description of the financial resources reasonably available to the Department to carry out the purposes of this title, including an explanation of the manner in which amounts made available will be used to leverage additional resources; and

''(ii) the uses to which the resources described in clause (i) will be committed, including—

''(I) eligible and required affordable housing activities; and

''(II) administrative expenses.

''(D) AFFORDABLE HOUSING RESOURCES.—A statement of the affordable housing resources currently available at the time of the submittal of the plan and to be made available during the period covered by the plan, including—

''(i) a description of the significant characteristics of the housing market in the State of Hawaii, including the availability of housing from other public sources, private market housing;

''(ii) the manner in which the characteristics referred to in clause (i) influence the decision of the Department of Hawaiian Home Lands to use grant amounts to be provided under this title for—

''(I) rental assistance;

''(II) the production of new units;

''(III) the acquisition of existing units; or

''(IV) the rehabilitation of units;

''(iii) a description of the structure, coordination, and means of cooperation between the Department of Hawaiian Home Lands and any other governmental entities in the development, submission, or implementation of housing plans, including a description of—

''(I) the involvement of private, public, and nonprofit organizations and institutions;

''(II) the use of loan guarantees under section 184A of the Housing and Community Development Act of 1992; and

''(III) other housing assistance provided by the United States, including loans, grants, and mortgage insurance;

''(iv) a description of the manner in which the plan will address the needs identified pursuant to subparagraph (C);

''(v) a description of—

''(I) any existing or anticipated homeownership programs and rental programs to be carried out during the period covered by the plan; and

''(II) the requirements and assistance available under the programs referred to in subclause (I);

''(vi) a description of—

''(I) any existing or anticipated housing rehabilitation programs necessary to ensure the long-term viability of the housing to be carried out during the period covered by the plan; and

''(II) the requirements and assistance available under the programs referred to in subclause (I);

''(vii) a description of—

''(I) all other existing or anticipated housing assistance provided by the Department of Hawaiian Home Lands during the period covered by the plan, including—

''(aa) transitional housing;

''(bb) homeless housing;

''(cc) college housing; and

''(dd) supportive services housing; and

''(II) the requirements and assistance available under such programs;

''(viii)(I) a description of any housing to be demolished or disposed of;

''(II) a timetable for that demolition or disposition; and

''(III) any other information required by the Secretary with respect to that demolition or disposition;

''(ix) a description of the manner in which the Department of Hawaiian Home Lands will coordinate with welfare agencies in the State of Hawaii to ensure that residents of the affordable housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency;

''(x) a description of the requirements established by the Department of Hawaiian Home Lands to—

''(I) promote the safety of residents of the affordable housing;

''(II) facilitate the undertaking of crime prevention measures;

''(III) allow resident input and involvement, including the establishment of resident organizations; and

''(IV) allow for the coordination of crime prevention activities between the Department and local law enforcement officials; and

''(xi) a description of the entities that will carry out the activities under the plan, including the organizational capacity and key personnel of the entities.

''(E) CERTIFICATION OF COMPLIANCE.—Evidence of compliance that shall include, as appropriate—

''(i) a certification that the Department of Hawaiian Home Lands will comply with—

''(I) title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) or with the Fair Housing Act (42 U.S.C. 3601 et seq.) in carrying out this title, to the extent that such title is applicable; and

''(II) other applicable Federal statutes;

''(ii) a certification that the Department will require adequate insurance coverage for housing units that are owned and operated or assisted with grant amounts provided under this title, in compliance with such requirements as may be established by the Secretary;

''(iii) a certification that policies are in effect and are available for review by the Secretary and the public governing the eligibility, admission, and occupancy of families for housing assisted with grant amounts provided under this title;

''(iv) a certification that policies are in effect and are available for review by the Secretary and the public governing rents charged, including the methods by which such rents or homebuyer payments are determined, for housing assisted with grant amounts provided under this title; and

''(v) a certification that policies are in effect and are available for review by the Secretary and the public governing the management and maintenance of housing assisted with grant amounts provided under this title.

''(d) APPLICABILITY OF CIVIL RIGHTS STATUTES.—

''(1) IN GENERAL.—To the extent that the requirements of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) or of the Fair Housing Act (42 U.S.C. 3601 et seq.) apply to assistance provided under this title, nothing in the requirements concerning discrimination on the basis of race shall be construed to prevent the provision of assistance under this title—

''(A) to the Department of Hawaiian Home Lands on the basis that the Department served Native Hawaiians; or

''(B) to an eligible family on the basis that the family is a Native Hawaiian family.

''(2) CIVIL RIGHTS.—Program eligibility under this title may be restricted to Native Hawaiians. Subject to the preceding sentence, no person may be discriminated against on the basis of race, color, national origin, religion, sex, familial status, or disability.

''(e) USE OF NONPROFIT ORGANIZATIONS.—As a condition of receiving grant amounts under this title, the Department of Hawaiian Home Lands shall, to the extent practicable, provide for private nonprofit organizations experienced in the planning and development of affordable housing for Native Hawaiians to carry out affordable housing activities with those grant amounts.

''SEC. 804. REVIEW OF PLANS.

''(a) REVIEW AND NOTICE.—

''(1) REVIEW.—

''(A) IN GENERAL.—The Secretary shall conduct a review of a housing plan submitted to the Secretary under section 803 to ensure that the plan complies with the requirements of that section.

''(B) LIMITATION.—The Secretary shall have the discretion to review a plan referred to in subparagraph (A) only to the extent that the Secretary considers that the review is necessary.

''(2) NOTICE.—

''(A) IN GENERAL.—Not later than 60 days after receiving a plan under section 803, the Secretary shall notify the Director of the Department of Hawaiian Home Lands whether the plan complies with the requirements under that section.

''(B) EFFECT OF FAILURE OF SECRETARY TO TAKE ACTION.—For purposes of this title, if the Secretary does not notify the Director, as required under this subsection and subsection (b), upon the expiration of the 60-day period described in subparagraph (A)—

''(i) the plan shall be considered to have been determined to comply with the requirements under section 803; and

''(ii) the Director shall be considered to have been notified of compliance.

''(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan submitted under section 803 does not comply with the requirements of that section, the Secretary shall specify in the notice under subsection (a)—

''(1) the reasons for noncompliance; and

''(2) any modifications necessary for the plan to meet the requirements of section 803.

''(c) REVIEW.—

''(1) IN GENERAL.—After the Director of the Department of Hawaiian Home Lands submits a housing plan under section 803, or any amendment or modification to the plan to the Secretary, to the extent that the Secretary considers such action to be necessary to make a determination under this subsection, the Secretary shall review the plan (including any amendments or modifications thereto) to determine whether the contents of the plan—

''(A) set forth the information required by section 803 to be contained in the housing plan;

''(B) are consistent with information and data available to the Secretary; and

''(C) are not prohibited by or inconsistent with any provision of this Act or any other applicable law.

''(2) INCOMPLETE PLANS.—If the Secretary determines under this subsection that any of the appropriate certifications required under section 803(c)(2)(E) are not included in a plan, the plan shall be considered to be incomplete.

''(d) UPDATES TO PLAN.—

''(1) IN GENERAL.—Subject to paragraph (2), after a plan under section 803 has been submitted for a fiscal year, the Director of the Department of Hawaiian Home Lands may comply with the provisions of that section for any succeeding fiscal year (with respect to information included for the 5-year period under section 803(b) or for the 1-year period under section 803(c)) by submitting only such information regarding such changes as may be necessary to update the plan previously submitted.

''(2) COMPLETE PLANS.—The Director shall submit a complete plan under section 803 not later than 4 years after submitting an initial plan under that section, and not less frequently than every 4 years thereafter.

''(e) EFFECTIVE DATE.—This section and section 803 shall take effect on the date provided by the Secretary pursuant to section 807(a) to provide for timely submission and review of the housing plan as necessary for the provision of assistance under this title for fiscal year 2001.

''SEC. 805. TREATMENT OF PROGRAM INCOME AND LABOR STANDARDS.

''(a) PROGRAM INCOME.—

''(1) AUTHORITY TO RETAIN.—The Department of Hawaiian Home Lands may retain any program income that is realized from any grant amounts received by the Department under this title if—

''(A) that income was realized after the initial disbursement of the grant amounts received by the Department; and

''(B) the Director agrees to use the program income for affordable housing activities in accordance with the provisions of this title.

''(2) PROHIBITION OF REDUCTION OF GRANT.—The Secretary may not reduce the grant amount for the Department of Hawaiian Home Lands based solely on—

''(A) whether the Department retains program income under paragraph (1); or

''(B) the amount of any such program income retained.

''(3) EXCLUSION OF AMOUNTS.—The Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with the requirements of this subsection would create an unreasonable administrative burden on the Department.

''(b) LABOR STANDARDS.—

''(1) IN GENERAL.—Any contract or agreement for assistance, sale, or lease pursuant to this title shall contain—

''(A) a provision requiring that an amount not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all architects, technical engineers, draftsmen, technicians employed in the development and all maintenance, and laborers and mechanics employed in the operation, of the affordable housing project involved; and

''(B) a provision that an amount not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Act commonly known as the 'Davis-Bacon Act' (46 Stat. 1494; chapter 411; 40 U.S.C. 276a et seq.) shall be paid to all laborers and mechanics employed in the development of the affordable housing involved.

''(2) EXCEPTIONS.—Paragraph (1) and provisions relating to wages required under paragraph (1) in any contract or agreement for assistance, sale, or lease under this title, shall not apply to any individual who performs the services for which the individual volunteered and who is not otherwise employed at any time in the construction work and received no compensation or is paid expenses, reasonable benefits, or a nominal fee for those services.

''SEC. 806. ENVIRONMENTAL REVIEW.

''(a) IN GENERAL.—

''(1) RELEASE OF FUNDS.—

''(A) IN GENERAL.—The Secretary may carry out the alternative environmental protection procedures described in subparagraph (B) in order to ensure—

''(i) that the policies of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other provisions of law that further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of grant amounts provided under this title; and

''(ii) to the public undiminished protection of the environment.

''(B) ALTERNATIVE ENVIRONMENTAL PROTECTION PROCEDURE.—In lieu of applying environmental protection procedures otherwise applicable, the Secretary may by regulation provide for the release of funds for specific projects to the Department of Hawaiian Home Lands if the Director of the Department assumes all of the responsibilities for environmental review, decisionmaking, and action under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were the Secretary to undertake those projects as Federal projects.

''(2) REGULATIONS.—

''(A) IN GENERAL.—The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality.

''(B) CONTENTS.—The regulations issued under this paragraph shall—

''(i) provide for the monitoring of the environmental reviews performed under this section;

''(ii) in the discretion of the Secretary, facilitate training for the performance of such reviews; and

''(iii) provide for the suspension or termination of the assumption of responsibilities under this section.

''(3) EFFECT ON ASSUMED RESPONSIBILITY.—The duty of the Secretary under paragraph (2)(B) shall not be construed to limit or reduce any responsibility assumed by the Department of Hawaiian Home Lands for grant amounts with respect to any specific release of funds.

''(b) PROCEDURE.—

''(1) IN GENERAL.—The Secretary shall authorize the release of funds subject to the procedures under this section only if, not less than 15 days before that approval and before any commitment of funds to such projects, the Director of the Department of Hawaiian Home Lands submits to the Secretary a request for such release accompanied by a certification that meets the requirements of subsection (c).

''(2) EFFECT OF APPROVAL.—The approval of the Secretary of a certification described in paragraph (1) shall be deemed to satisfy the responsibilities of the Secretary under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and such other provisions of law as the regulations of the Secretary specify to the extent that those responsibilities relate to the releases of funds for projects that are covered by that certification.

''(c) CERTIFICATION.—A certification under the procedures under this section shall—

''(1) be in a form acceptable to the Secretary;

''(2) be executed by the Director of the Department of Hawaiian Home Lands;

''(3) specify that the Department of Hawaiian Home Lands has fully carried out its responsibilities as described under subsection (a); and

''(4) specify that the Director—

''(A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and each provision of law specified in regulations issued by the Secretary to the extent that those laws apply by reason of subsection (a); and

''(B) is authorized and consents on behalf of the Department of Hawaiian Home Lands and the Director to accept the jurisdiction of the Federal courts for the purpose of enforcement of the responsibilities of the Director of the Department of Hawaiian Home Lands as such an official.

''SEC. 807. REGULATIONS.

''The Secretary shall issue final regulations necessary to carry out this title not later than October 1, 2001.

''SEC. 808. EFFECTIVE DATE.

''Except as otherwise expressly provided in this title, this title shall take effect on the date of the enactment of the American Homeownership and Economic Opportunity Act of 2000.

''SEC. 809. AFFORDABLE HOUSING ACTIVITIES.

''(a) NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.—

''(1) PRIMARY OBJECTIVE.—The national objectives of this title are—

''(A) to assist and promote affordable housing activities to develop, maintain, and operate affordable housing in safe and healthy environments for occupancy by low-income Native Hawaiian families;

''(B) to ensure better access to private mortgage markets and to promote self-sufficiency of low-income Native Hawaiian families;

''(C) to coordinate activities to provide housing for low-income Native Hawaiian families with Federal, State and local activities to further economic and community development;

''(D) to plan for and integrate infrastructure resources on the Hawaiian Home Lands with housing development; and

''(E) to—

''(i) promote the development of private capital markets; and

''(ii) allow the markets referred to in clause (i) to operate and grow, thereby benefiting Native Hawaiian communities.

''(2) ELIGIBLE FAMILIES.—

''(A) IN GENERAL.—Except as provided under subparagraph (B), assistance for eligible housing activities under this title shall be limited to low-income Native Hawaiian families.

''(B) EXCEPTION TO LOW-INCOME REQUIREMENT.—

''(i) IN GENERAL.—The Director may provide assistance for homeownership activities under—

''(I) section 810(b);

''(II) model activities under section 810(f); or

''(III) loan guarantee activities under section 184A of the Housing and Community Development Act of 1992 to Native Hawaiian families who are not low-income families, to the extent that the Secretary approves the activities under that section to address a need for housing for those families that cannot be reasonably met without that assistance.

''(ii) LIMITATIONS.—The Secretary shall establish limitations on the amount of assistance that may be provided under this title for activities for families that are not low-income families.

''(C) OTHER FAMILIES.—Notwithstanding paragraph (1), the Director may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this title to a family that is not composed of Native Hawaiians if—

''(i) the Department determines that the presence of the family in the housing involved is essential to the well-being of Native Hawaiian families; and

''(ii) the need for housing for the family cannot be reasonably met without the assistance.

''(D) PREFERENCE.—

''(i) IN GENERAL.—A housing plan submitted under section 803 may authorize a preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this title to be provided, to the extent practicable, to families that are eligible to reside on the Hawaiian Home Lands.

''(ii) APPLICATION.—In any case in which a housing plan provides for preference described in clause (i), the Director shall ensure that housing activities that are assisted with grant amounts under this title are subject to that preference.

''(E) USE OF NONPROFIT ORGANIZATIONS.—As a condition of receiving grant amounts under this title, the Department of Hawaiian Home Lands, shall to the extent practicable, provide for private nonprofit organizations experienced in the planning and development of affordable housing for Native Hawaiians to carry out affordable housing activities with those grant amounts.

''SEC. 810. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.

''(a) IN GENERAL.—Affordable housing activities under this section are activities conducted in accordance with the requirements of section 811 to—

''(1) develop or to support affordable housing for rental or homeownership; or

''(2) provide housing services with respect to affordable housing, through the activities described in subsection (b).

''(b) ACTIVITIES.—The activities described in this subsection are the following:

''(1) DEVELOPMENT.—The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include—

''(A) real property acquisition;

''(B) site improvement;

''(C) the development of utilities and utility services;

''(D) conversion;

''(E) demolition;

''(F) financing;

''(G) administration and planning; and

''(H) other related activities.

''(2) HOUSING SERVICES.—The provision of housing-related services for affordable housing, including—

''(A) housing counseling in connection with rental or homeownership assistance;

''(B) the establishment and support of resident organizations and resident management corporations;

''(C) energy auditing;

''(D) activities related to the provisions of self-sufficiency and other services; and

''(E) other services related to assisting owners, tenants, contractors, and other entities participating or seeking to participate in other housing activities assisted pursuant to this section.

''(3) HOUSING MANAGEMENT SERVICES.—The provision of management services for affordable housing, including—

''(A) the preparation of work specifications;

''(B) loan processing;

''(C) inspections;

''(D) tenant selection;

''(E) management of tenant-based rental assistance; and

''(F) management of affordable housing projects.

''(4) CRIME PREVENTION AND SAFETY ACTIVITIES.—The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

''(5) MODEL ACTIVITIES.—Housing activities under model programs that are—

''(A) designed to carry out the purposes of this title; and

''(B) specifically approved by the Secretary as appropriate for the purpose referred to in subparagraph (A).

''SEC. 811. PROGRAM REQUIREMENTS.

''(a) RENTS.—

''(1) ESTABLISHMENT.—Subject to paragraph (2), as a condition to receiving grant amounts under this title, the Director shall develop written policies governing rents and homebuyer payments charged for dwelling units assisted under this title, including methods by which such rents and homebuyer payments are determined.

''(2) MAXIMUM RENT.—In the case of any low-income family residing in a dwelling unit assisted with grant amounts under this title, the monthly rent or homebuyer payment (as applicable) for that dwelling unit may not exceed 30 percent of the monthly adjusted income of that family.

''(b) MAINTENANCE AND EFFICIENT OPERATION.—

''(1) IN GENERAL.—The Director shall, using amounts of any grants received under this title, reserve and use for operating under section 810 such amounts as may be necessary to provide for the continued maintenance and efficient operation of such housing.

''(2) DISPOSAL OF CERTAIN HOUSING.—This subsection may not be construed to prevent the Director, or any entity funded by the Department, from demolishing or disposing of housing, pursuant to regulations established by the Secretary.

''(c) INSURANCE COVERAGE.—As a condition to receiving grant amounts under this title, the Director shall require adequate insurance coverage for housing units that are owned or operated or assisted with grant amounts provided under this title.

''(d) ELIGIBILITY FOR ADMISSION.—As a condition to receiving grant amounts under this title, the Director shall develop written policies governing the eligibility, admission, and occupancy of families for housing assisted with grant amounts provided under this title.

''(e) MANAGEMENT AND MAINTENANCE.—As a condition to receiving grant amounts under this title, the Director shall develop policies governing the management and maintenance of housing assisted with grant amounts under this title.

''SEC. 812. TYPES OF INVESTMENTS.

''(a) IN GENERAL.—Subject to section 811 and an applicable housing plan approved under section 803, the Director shall have—

''(1) the discretion to use grant amounts for affordable housing activities through the use of—

''(A) equity investments;

''(B) interest-bearing loans or advances;

''(C) noninterest-bearing loans or advances;

''(D) interest subsidies;

''(E) the leveraging of private investments; or

''(F) any other form of assistance that the Secretary determines to be consistent with the purposes of this title; and

''(2) the right to establish the terms of assistance provided with funds referred to in paragraph (1).

''(b) INVESTMENTS.—The Director may invest grant amounts for the purposes of carrying out affordable housing activities in investment securities and other obligations, as approved by the Secretary.

''SEC. 813. LOW-INCOME REQUIREMENT AND INCOME TARGETING.

''(a) IN GENERAL.—Housing shall qualify for affordable housing for purposes of this title only if—

''(1) each dwelling unit in the housing—

''(A) in the case of rental housing, is made available for occupancy only by a family that is a low-income family at the time of the initial occupancy of that family of that unit; and

''(B) in the case of housing for homeownership, is made available for purchase only by a family that is a low-income family at the time of purchase; and

''(2) each dwelling unit in the housing will remain affordable, according to binding commitments satisfactory to the Secretary, for—

''(A) the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership; or

''(B) such other period as the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this title, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if that action—

''(i) recognizes any contractual or legal rights of any public agency, nonprofit sponsor, or other person or entity to take an action that would—

''(I) avoid termination of low-income affordability, in the case of foreclosure; or

''(II) transfer ownership in lieu of foreclosure; and

''(ii) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary.

''(b) EXCEPTION.—Notwithstanding subsection (a), housing assisted pursuant to section 809(a)(2)(B) shall be considered affordable housing for purposes of this title.

''SEC. 814. LEASE REQUIREMENTS AND TENANT SELECTION.

''(a) LEASES.—Except to the extent otherwise provided by or inconsistent with the laws of the State of Hawaii, in renting dwelling units in affordable housing assisted with grant amounts provided under this title, the Director, owner, or manager shall use leases that—

''(1) do not contain unreasonable terms and conditions;

''(2) require the Director, owner, or manager to maintain the housing in compliance with applicable housing codes and quality standards;

''(3) require the Director, owner, or manager to give adequate written notice of termination of the lease, which shall be the period of time required under applicable State or local law;

''(4) specify that, with respect to any notice of eviction or termination, notwithstanding any State or local law, a resident shall be informed of the opportunity, before any hearing or trial, to examine any relevant documents, record, or regulations directly related to the eviction or termination;

''(5) require that the Director, owner, or manager may not terminate the tenancy, during the term of the lease, except for serious or repeated violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or for other good cause; and

''(6) provide that the Director, owner, or manager may terminate the tenancy of a resident for any activity, engaged in by the resident, any member of the household of the resident, or any guest or other person under the control of the resident, that—

''(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the Department, owner, or manager;

''(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

''(C) is criminal activity (including drug-related criminal activity) on or off the premises.

''(b) TENANT OR HOMEBUYER SELECTION.—As a condition to receiving grant amounts under this title, the Director shall adopt and use written tenant and homebuyer selection policies and criteria that—

''(1) are consistent with the purpose of providing housing for low-income families;

''(2) are reasonably related to program eligibility and the ability of the applicant to perform the obligations of the lease; and

''(3) provide for—

''(A) the selection of tenants and homebuyers from a written waiting list in accordance with the policies and goals set forth in an applicable housing plan approved under section 803; and

''(B) the prompt notification in writing of any rejected applicant of the grounds for that rejection.

''SEC. 815. REPAYMENT.

''If the Department of Hawaiian Home Lands uses grant amounts to provide affordable housing under activities under this title and, at any time during the useful life of the

housing, the housing does not comply with the requirement under section 813(a)(2), the Secretary shall—

''(1) reduce future grant payments on behalf of the Department by an amount equal to the grant amounts used for that housing (under the authority of section 819(a)(2)); or

''(2) require repayment to the Secretary of any amount equal to those grant amounts.

''SEC. 816. ANNUAL ALLOCATION.

''For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this title for the fiscal year, in accordance with the formula established pursuant to section 817 to the Department of Hawaiian Home Lands if the Department complies with the requirements under this title for a grant under this title.

''SEC. 817. ALLOCATION FORMULA.

''(a) ESTABLISHMENT.—The Secretary shall, by regulation issued not later than the expiration of the 6-month period beginning on the date of the enactment of the American Homeownership and Economic Opportunity Act of 2000, in the manner provided under section 807, establish a formula to provide for the allocation of amounts available for a fiscal year for block grants under this title in accordance with the requirements of this section.

''(b) FACTORS FOR DETERMINATION OF NEED.—The formula under subsection (a) shall be based on factors that reflect the needs for assistance for affordable housing activities, including—

''(1) the number of low-income dwelling units owned or operated at the time pursuant to a contract between the Director and the Secretary;

''(2) the extent of poverty and economic distress and the number of Native Hawaiian families eligible to reside on the Hawaiian Home Lands; and

''(3) any other objectively measurable conditions that the Secretary and the Director may specify.

''(c) OTHER FACTORS FOR CONSIDERATION.—In establishing the formula under subsection (a), the Secretary shall consider the relative administrative capacities of the Department of Hawaiian Home Lands and other challenges faced by the Department, including—

''(1) geographic distribution within Hawaiian Home Lands; and

''(2) technical capacity.

''(d) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of the American Homeownership and Economic Opportunity Act of 2000.

''SEC. 818. REMEDIES FOR NONCOMPLIANCE.

''(a) ACTIONS BY SECRETARY AFFECTING GRANT AMOUNTS.—

''(1) IN GENERAL.—Except as provided in subsection (b), if the Secretary finds after reasonable notice and opportunity for a hearing that the Department of Hawaiian Home Lands has failed to comply substantially with any provision of this title, the Secretary shall—

''(A) terminate payments under this title to the Department;

''(B) reduce payments under this title to the Department by an amount equal to the amount of such payments that were not expended in accordance with this title; or

''(C) limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply.

''(2) ACTIONS.—If the Secretary takes an action under subparagraph (A), (B), or (C) of paragraph (1), the Secretary shall continue that action until the Secretary determines that the failure by the Department to comply with the provision has been remedied by the Department and the Department is in compliance with that provision.

''(b) NONCOMPLIANCE BECAUSE OF A TECHNICAL INCAPACITY.—The Secretary may provide technical assistance for the Department, either directly or indirectly, that is designed to increase the capability and capacity of the Director of the Department to administer assistance provided under this title in compliance with the requirements under this title if the Secretary makes a finding under subsection (a), but determines that the failure of the Department to comply substantially with the provisions of this title—

''(1) is not a pattern or practice of activities constituting willful noncompliance; and

''(2) is a result of the limited capability or capacity of the Department of Hawaiian Home Lands.

''(c) REFERRAL FOR CIVIL ACTION.—

''(1) AUTHORITY.—In lieu of, or in addition to, any action that the Secretary may take under subsection (a), if the Secretary has reason to believe that the Department of Hawaiian Home Lands has failed to comply substantially with any provision of this title, the Secretary may refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

''(2) CIVIL ACTION.—Upon receiving a referral under paragraph (1), the Attorney General may bring a civil action in any United States district court of appropriate jurisdiction for such relief as may be appropriate, including an action—

''(A) to recover the amount of the assistance furnished under this title that was not expended in accordance with this title; or

''(B) for mandatory or injunctive relief.

''(d) REVIEW.—

''(1) IN GENERAL.—If the Director receives notice under subsection (a) of the termination, reduction, or limitation of payments under this Act, the Director—

''(A) may, not later than 60 days after receiving such notice, file with the United States Court of Appeals for the Ninth Circuit, or in the United States Court of Appeals for the District of Columbia, a petition for review of the action of the Secretary; and

''(B) upon the filing of any petition under subparagraph (A), shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

''(2) PROCEDURE.—

''(A) IN GENERAL.—The Secretary shall file in the court a record of the proceeding on which the Secretary based the action, as provided in section 2112 of title 28, United States Code.

''(B) OBJECTIONS.—No objection to the action of the Secretary shall be considered by the court unless the Department has registered the objection before the Secretary.

''(3) DISPOSITION.—

''(A) COURT PROCEEDINGS.—

''(i) JURISDICTION OF COURT.—The court shall have jurisdiction to affirm or modify the action of the Secretary or to set the action aside in whole or in part.

''(ii) FINDINGS OF FACT.—If supported by substantial evidence on the record considered as a whole, the findings of fact by the Secretary shall be conclusive.

''(iii) ADDITION.—The court may order evidence, in addition to the evidence submitted for review under this subsection, to be taken by the Secretary, and to be made part of the record.

''(B) SECRETARY.—

''(i) IN GENERAL.—The Secretary, by reason of the additional evidence referred to in subparagraph (A) and filed with the court—

''(I) may—

''(aa) modify the findings of fact of the Secretary; or

''(bb) make new findings; and

''(II) shall file—

''(aa) such modified or new findings; and

''(bb) the recommendation of the Secretary, if any, for the modification or setting aside of the original action of the Secretary.

''(ii) FINDINGS.—The findings referred to in clause (i)(II)(bb) shall, with respect to a question of fact, be considered to be conclusive if those findings are—

''(I) supported by substantial evidence on the record; and

''(II) considered as a whole.

''(4) FINALITY.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), upon the filing of the record under this subsection with the court—

''(i) the jurisdiction of the court shall be exclusive; and

''(ii) the judgment of the court shall be final.

''(B) REVIEW BY SUPREME COURT.—A judgment under subparagraph (A) shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification, as provided in section 1254 of title 28, United States Code.

''SEC. 819. MONITORING OF COMPLIANCE.

''(a) ENFORCEABLE AGREEMENTS.—

''(1) IN GENERAL.—The Director, through binding contractual agreements with owners or other authorized entities, shall ensure long-term compliance with the provisions of this title.

''(2) MEASURES.—The measures referred to in paragraph (1) shall provide for—

''(A) to the extent allowable by Federal and State law, the enforcement of the provisions of this title by the Department and the Secretary; and

''(B) remedies for breach of the provisions referred to in paragraph (1).

''(b) PERIODIC MONITORING.—

''(1) IN GENERAL.—Not less frequently than annually, the Director shall review the activities conducted and housing assisted under this title to assess compliance with the requirements of this title.

''(2) REVIEW.—Each review under paragraph (1) shall include onsite inspection of housing to determine compliance with applicable requirements.

''(3) RESULTS.—The results of each review under paragraph (1) shall be—

''(A) included in a performance report of the Director submitted to the Secretary under section 820; and

''(B) made available to the public.

''(c) PERFORMANCE MEASURES.—The Secretary shall establish such performance measures as may be necessary to assess compliance with the requirements of this title.

''SEC. 820. PERFORMANCE REPORTS.

''(a) REQUIREMENT.—For each fiscal year, the Director shall—

''(1) review the progress the Department has made during that fiscal year in carrying out the housing plan submitted by the Department under section 803; and

''(2) submit a report to the Secretary (in a form acceptable to the Secretary) describing the conclusions of the review.

''(b) CONTENT.—Each report submitted under this section for a fiscal year shall—

''(1) describe the use of grant amounts provided to the Department of Hawaiian Home Lands for that fiscal year;

''(2) assess the relationship of the use referred to in paragraph (1) to the goals identified in the housing plan;

''(3) indicate the programmatic accomplishments of the Department; and

''(4) describe the manner in which the Department would change its housing plan submitted under section 803 as a result of its experiences.

''(c) SUBMISSIONS.—The Secretary shall—

''(1) establish a date for submission of each report under this section;

''(2) review each such report; and

''(3) with respect to each such report, make recommendations as the Secretary considers appropriate to carry out the purposes of this title.

''(d) PUBLIC AVAILABILITY.—

''(1) COMMENTS BY BENEFICIARIES.—In preparing a report under this section, the Director shall make the report publicly available to the beneficiaries of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.) and give a sufficient amount of time to permit those beneficiaries to comment on that report before it is submitted to the Secretary (in such manner and at such time as the Director may determine).

''(2) SUMMARY OF COMMENTS.—The report shall include a summary of any comments received by the Director from beneficiaries under paragraph (1) regarding the program to carry out the housing plan.

''SEC. 821. REVIEW AND AUDIT BY SECRETARY.

''(a) ANNUAL REVIEW.—

''(1) IN GENERAL.—The Secretary shall, not less frequently than on an annual basis, make such reviews and audits as may be necessary or appropriate to determine whether—

''(A) the Director has—

''(i) carried out eligible activities under this title in a timely manner;

''(ii) carried out and made certifications in accordance with the requirements and the primary objectives of this title and with other applicable laws; and

''(iii) a continuing capacity to carry out the eligible activities in a timely manner;

''(B) the Director has complied with the housing plan submitted by the Director under section 803; and

''(C) the performance reports of the Department under section 821 are accurate.

''(2) ONSITE VISITS.—Each review conducted under this section shall, to the extent practicable, include onsite visits by employees of the Department of Housing and Urban Development.

''(b) REPORT BY SECRETARY.—The Secretary shall give the Department of Hawaiian Home Lands not less than 30 days to review and comment on a report under this subsection. After taking into consideration the comments of the Department, the Secretary may revise the report and shall make the comments of the Department and the report with any revisions, readily available to the public not later than 30 days after receipt of the comments of the Department.

''(c) EFFECT OF REVIEWS.—The Secretary may make appropriate adjustments in the amount of annual grants under this title in accordance with the findings of the Secretary pursuant to reviews and audits under this section. The Secretary may adjust, reduce, or withdraw grant amounts, or take other action as appropriate in accordance with the reviews and audits of the Secretary under this section, except that grant amounts already expended on affordable housing activities may not be recaptured or deducted from future assistance provided to the Department of Hawaiian Home Lands.

''SEC. 822. GENERAL ACCOUNTING OFFICE AUDITS.

''To the extent that the financial transactions of the Department of Hawaiian Home Lands involving grant amounts under this title relate to amounts provided under this title, those transactions may be audited by the Comptroller General of the United States under such regulations as may be prescribed by the Comptroller General. The Comptroller General of the United States shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by the Department of Hawaiian Home Lands pertaining to such financial transactions and necessary to facilitate the audit.

''SEC. 823. REPORTS TO CONGRESS.

''(a) IN GENERAL.—Not later than 90 days after the conclusion of each fiscal year in which assistance under this title is made available, the Secretary shall submit to Congress a report that contains—

''(1) a description of the progress made in accomplishing the objectives of this title;

''(2) a summary of the use of funds available under this title during the preceding fiscal year; and

''(3) a description of the aggregate outstanding loan guarantees under section 184A of the Housing and Community Development Act of 1992.

''(b) RELATED REPORTS.—The Secretary may require the Director to submit to the Secretary such reports and other information as may be necessary in order for the Secretary to prepare the report required under subsection (a).

''SEC. 824. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the Department of Housing and Urban Development for grants under this title such sums as may be necessary for each of fiscal years 2001, 2002, 2003, 2004, and 2005.''.

SEC. 514. LOAN GUARANTEES.

Subtitle E of title I of the Housing and Community Development Act of 1992 is amended by inserting after section 184 (12 U.S.C. 1715z–13a) the following:

''SEC. 184A. LOAN GUARANTEES FOR NATIVE HAWAIIAN HOUSING.

''(a) DEFINITIONS.—In this section:

''(1) DEPARTMENT OF HAWAIIAN HOME LANDS.—The term 'Department of Hawaiian Home Lands' means the agency or department of the government of the State of Hawaii that is responsible for the administration of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.).

''(2) ELIGIBLE ENTITY.—The term 'eligible entity' means a Native Hawaiian family, the Department of Hawaiian Home Lands, the Office of Hawaiian Affairs, and private nonprofit or private for-profit organizations experienced in the planning and development of affordable housing for Native Hawaiians.

''(3) FAMILY.—The term 'family' means one or more persons maintaining a household, as the Secretary shall by regulation provide.

''(4) GUARANTEE FUND.—The term 'Guarantee Fund' means the Native Hawaiian Housing Loan Guarantee Fund established under subsection (i).

''(5) HAWAIIAN HOME LANDS.—The term 'Hawaiian Home Lands' means lands that—

''(A) have the status of Hawaiian Home Lands under section 204 of the Hawaiian Homes Commission Act (42 Stat. 110); or

''(B) are acquired pursuant to that Act.

''(6) NATIVE HAWAIIAN.—The term 'Native Hawaiian' means any individual who is—

''(A) a citizen of the United States; and

''(B) a descendant of the aboriginal people, who, prior to 1778, occupied and exercised sovereignty in the area that currently constitutes the State of Hawaii, as evidenced by—

''(i) genealogical records;

''(ii) verification by kupuna (elders) or kama'aina (long-term community residents); or

''(iii) birth records of the State of Hawaii.

''(7) OFFICE OF HAWAIIAN AFFAIRS.—The term 'Office of Hawaiian Affairs' means the entity of that name established under the constitution of the State of Hawaii.

''(b) AUTHORITY.—To provide access to sources of private financing to Native Hawaiian families who otherwise could not acquire housing financing because of the unique legal status of the Hawaiian Home Lands or as a result of a lack of access to private financial markets, the Secretary may guarantee an amount not to exceed 100 percent of the unpaid principal and interest that is due on an eligible loan under subsection (b).

''(c) ELIGIBLE LOANS.—Under this section, a loan is an eligible loan if that loan meets the following requirements:

''(1) ELIGIBLE BORROWERS.—The loan is made only to a borrower who is—

''(A) a Native Hawaiian family;

''(B) the Department of Hawaiian Home Lands;

''(C) the Office of Hawaiian Affairs; or

''(D) a private nonprofit organization experienced in the planning and development of affordable housing for Native Hawaiians.

''(2) ELIGIBLE HOUSING.—

''(A) IN GENERAL.—The loan will be used to construct, acquire, or rehabilitate not more than 4-family dwellings that are standard housing and are located on Hawaiian Home Lands for which a housing plan described in subparagraph (B) applies.

''(B) HOUSING PLAN.—A housing plan described in this subparagraph is a housing plan that—

''(i) has been submitted and approved by the Secretary under section 803 of the Native American Housing Assistance and Self-Determination Act of 1996; and

''(ii) provides for the use of loan guarantees under this section to provide affordable homeownership housing on Hawaiian Home Lands.

''(3) SECURITY.—The loan may be secured by any collateral authorized under applicable Federal or State law.

''(4) LENDERS.—

''(A) IN GENERAL.—The loan shall be made only by a lender approved by, and meeting qualifications established by, the Secretary, including any lender described in subparagraph (B), except that a loan otherwise insured or guaranteed by an agency of the Federal Government or made by the Department of Hawaiian Home Lands from amounts borrowed from the United States shall not be eligible for a guarantee under this section.

''(B) APPROVAL.—The following lenders shall be considered to be lenders that have been approved by the Secretary:

''(i) Any mortgagee approved by the Secretary for participation in the single family mortgage insurance program under title II of the National Housing Act (12 U.S.C.A. 1707 et seq.).

''(ii) Any lender that makes housing loans under chapter 37 of title 38, United States Code, that are automatically guaranteed under section 3702(d) of title 38, United States Code.

''(iii) Any lender approved by the Secretary of Agriculture to make guaranteed loans for single family housing under the Housing Act of 1949 (42 U.S.C.A. 1441 et seq.).

''(iv) Any other lender that is supervised, approved, regulated, or insured by any agency of the Federal Government.

''(5) TERMS.—The loan shall—

''(A) be made for a term not exceeding 30 years;

''(B) bear interest (exclusive of the guarantee fee under subsection (d) and service charges, if any) at a rate agreed upon by the borrower and the lender and determined by the Secretary to be reasonable, but not to exceed the rate generally charged in the area (as determined by the Secretary) for home mortgage loans not guaranteed or insured by any agency or instrumentality of the Federal Government;

''(C) involve a principal obligation not exceeding—

''(i) 97.75 percent of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75 percent if the value of the property is $50,000 or less); or

''(ii) the amount approved by the Secretary under this section; and

''(D) involve a payment on account of the property—

''(i) in cash or its equivalent; or

''(ii) through the value of any improvements to the property made through the skilled or unskilled labor of the borrower, as the Secretary shall provide.

''(d) CERTIFICATE OF GUARANTEE.—

''(1) APPROVAL PROCESS.—

''(A) IN GENERAL.—Before the Secretary approves any loan for guarantee under this section, the lender shall submit the application for the loan to the Secretary for examination.

''(B) APPROVAL.—If the Secretary approves the application submitted under subparagraph (A), the Secretary shall issue a certificate under this subsection as evidence of the loan guarantee approved.

''(2) STANDARD FOR APPROVAL.—The Secretary may approve a loan for guarantee under this section and issue a certificate under this subsection only if the Secretary determines that there is a reasonable prospect of repayment of the loan.

''(3) EFFECT.—

''(A) IN GENERAL.—A certificate of guarantee issued under this subsection by the Secretary shall be conclusive evidence of the eligibility of the loan for guarantee under this section and the amount of that guarantee.

''(B) EVIDENCE.—The evidence referred to in subparagraph (A) shall be incontestable in the hands of the bearer.

''(C) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all amounts agreed to be paid by the Secretary as security for the obligations made by the Secretary under this section.

''(4) FRAUD AND MISREPRESENTATION.—This subsection may not be construed—

''(A) to preclude the Secretary from establishing defenses against the original lender based on fraud or material misrepresentation; or

''(B) to bar the Secretary from establishing by regulations that are on the date of issuance or disbursement, whichever is earlier, partial defenses to the amount payable on the guarantee.

''(e) GUARANTEE FEE.—

''(1) IN GENERAL.—The Secretary shall fix and collect a guarantee fee for the guarantee of a loan under this section, which may not exceed the amount equal to 1 percent of the principal obligation of the loan.

''(2) PAYMENT.—The fee under this subsection shall—

''(A) be paid by the lender at time of issuance of the guarantee; and

''(B) be adequate, in the determination of the Secretary, to cover expenses and probable losses.

''(3) DEPOSIT.—The Secretary shall deposit any fees collected under this subsection in the Native Hawaiian Housing Loan Guarantee Fund established under subsection (j).

''(f) LIABILITY UNDER GUARANTEE.—The liability under a guarantee provided under this section shall decrease or increase on a pro rata basis according to any decrease or increase in the amount of the unpaid obligation under the provisions of the loan agreement involved.

''(g) TRANSFER AND ASSUMPTION.—Notwithstanding any other provision of law, any loan guaranteed under this section, including the security given for the loan, may be sold or assigned by the lender to any financial institution subject to examination and supervision by an agency of the Federal Government or of any State or the District of Columbia.

''(h) DISQUALIFICATION OF LENDERS AND CIVIL MONEY PENALTIES.—

''(1) IN GENERAL.—

''(A) GROUNDS FOR ACTION.—The Secretary may take action under subparagraph (B) if the Secretary determines that any lender or holder of a guarantee certificate under subsection (c)—

''(i) has failed—

''(I) to maintain adequate accounting records;

''(II) to service adequately loans guaranteed under this section; or

''(III) to exercise proper credit or underwriting judgment; or

''(ii) has engaged in practices otherwise detrimental to the interest of a borrower or the United States.

''(B) ACTIONS.—Upon a determination by the Secretary that a holder of a guarantee certificate under subsection (c) has failed to carry out an activity described in subparagraph (A)(i) or has engaged in practices described in subparagraph (A)(ii), the Secretary may—

''(i) refuse, either temporarily or permanently, to guarantee any further loans made by such lender or holder;

''(ii) bar such lender or holder from acquiring additional loans guaranteed under this section; and

''(iii) require that such lender or holder assume not less than 10 percent of any loss on further loans made or held by the lender or holder that are guaranteed under this section.

''(2) CIVIL MONEY PENALTIES FOR INTENTIONAL VIOLATIONS.—

''(A) IN GENERAL.—The Secretary may impose a civil monetary penalty on a lender or holder of a guarantee certificate under subsection (d) if the Secretary determines that the holder or lender has intentionally failed—

''(i) to maintain adequate accounting records;

''(ii) to adequately service loans guaranteed under this section; or

''(iii) to exercise proper credit or underwriting judgment.

''(B) PENALTIES.—A civil monetary penalty imposed under this paragraph shall be imposed in the manner and be in an amount provided under section 536 of the National Housing Act (12 U.S.C.A. 1735f–1) with respect to mortgagees and lenders under that Act.

''(3) PAYMENT ON LOANS MADE IN GOOD FAITH.—Notwithstanding paragraphs (1) and (2), if a loan was made in good faith, the Secretary may not refuse to pay a lender or holder of a valid guarantee on that loan, without regard to whether the lender or holder is barred under this subsection.

''(i) PAYMENT UNDER GUARANTEE.—

''(1) LENDER OPTIONS.—

''(A) IN GENERAL.—

''(i) NOTIFICATION.—If a borrower on a loan guaranteed under this section defaults on the loan, the holder of the guarantee certificate shall provide written notice of the default to the Secretary.

''(ii) PAYMENT.—Upon providing the notice required under clause (i), the holder of the guarantee certificate shall be entitled to payment under the guarantee (subject to the provisions of this section) and may proceed to obtain payment in one of the following manners:

''(I) FORECLOSURE.—

''(aa) IN GENERAL.—The holder of the certificate may initiate foreclosure proceedings (after providing written notice of that action to the Secretary).

''(bb) PAYMENT.—Upon a final order by the court authorizing foreclosure and submission to the Secretary of a claim for payment under the guarantee, the Secretary shall pay to the holder of the certificate the pro rata portion of the amount guaranteed (as determined pursuant to subsection (f)) plus reasonable fees and expenses as approved by the Secretary.

''(cc) SUBROGATION.—The rights of the Secretary shall be subrogated to the rights of the holder of the guarantee. The holder shall assign the obligation and security to the Secretary.

''(II) NO FORECLOSURE.—

''(aa) IN GENERAL.—Without seeking foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a request to assign the obligation and security interest to the Secretary in return for payment of the claim under the guarantee. The Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interest of the United States.

''(bb) PAYMENT.—Upon assignment, the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (f)).

''(cc) SUBROGATION.—The rights of the Secretary shall be subrogated to the rights of the holder of the guarantee. The holder shall assign the obligation and security to the Secretary.

''(B) REQUIREMENTS.—Before any payment under a guarantee is made under subparagraph (A), the holder of the guarantee shall exhaust all reasonable possibilities of collection. Upon payment, in whole or in part, to the holder, the note or judgment evidencing the debt shall be assigned to the United States and the holder shall have no further claim against the borrower or the United States. The Secretary shall then take such action to collect as the Secretary determines to be appropriate.

''(2) LIMITATIONS ON LIQUIDATION.—

''(A) IN GENERAL.—If a borrower defaults on a loan guaranteed under this section that involves a security interest in restricted Hawaiian Home Land property, the mortgagee or the Secretary shall only pursue liquidation after offering to transfer the account to another eligible Hawaiian family or the Department of Hawaiian Home Lands.

''(B) LIMITATION.—If, after action is taken under subparagraph (A), the mortgagee or

the Secretary subsequently proceeds to liquidate the account, the mortgagee or the Secretary shall not sell, transfer, or otherwise dispose of or alienate the property described in subparagraph (A) except to another eligible Hawaiian family or to the Department of Hawaiian Home Lands.

''(j) HAWAIIAN HOUSING LOAN GUARANTEE FUND.—

''(1) ESTABLISHMENT.—There is established in the Treasury of the United States the Hawaiian Housing Loan Guarantee Fund for the purpose of providing loan guarantees under this section.

''(2) CREDITS.—The Guarantee Fund shall be credited with—

''(A) any amount, claims, notes, mortgages, contracts, and property acquired by the Secretary under this section, and any collections and proceeds therefrom;

''(B) any amounts appropriated pursuant to paragraph (7);

''(C) any guarantee fees collected under subsection (d); and

''(D) any interest or earnings on amounts invested under paragraph (4).

''(3) USE.—Amounts in the Guarantee Fund shall be available, to the extent provided in appropriations Acts, for—

''(A) fulfilling any obligations of the Secretary with respect to loans guaranteed under this section, including the costs (as that term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) of such loans;

''(B) paying taxes, insurance, prior liens, expenses necessary to make fiscal adjustment in connection with the application and transmittal of collections, and other expenses and advances to protect the Secretary for loans which are guaranteed under this section or held by the Secretary;

''(C) acquiring such security property at foreclosure sales or otherwise;

''(D) paying administrative expenses in connection with this section; and

''(E) reasonable and necessary costs of rehabilitation and repair to properties that the Secretary holds or owns pursuant to this section.

''(4) INVESTMENT.—Any amounts in the Guarantee Fund determined by the Secretary to be in excess of amounts currently required at the time of the determination to carry out this section may be invested in obligations of the United States.

''(5) LIMITATION ON COMMITMENTS TO GUARANTEE LOANS AND MORTGAGES.—

''(A) REQUIREMENT OF APPROPRIATIONS.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year to the extent, or in such amounts as are, or have been, provided in appropriations Acts, without regard to the fiscal year for which such amounts were appropriated.

''(B) LIMITATIONS ON COSTS OF GUARANTEES.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year only to the extent that amounts in the Guarantee Fund are or have been made available in appropriations Acts to cover the costs (as that term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) of such loan guarantees for such fiscal year. Any amounts appropriated pursuant to this subparagraph shall remain available until expended.

''(C) LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.—Subject to the limitations in subparagraphs (A) and (B), the Secretary may enter into commitments to guarantee loans under this section for each of fiscal years 2001, 2002, 2003, 2004, and 2005 with an aggregate outstanding principal amount not exceeding $100,000,000 for each such fiscal year.

''(6) LIABILITIES.—All liabilities and obligations of the assets credited to the Guarantee Fund under paragraph (2)(A) shall be liabilities and obligations of the Guarantee Fund.

''(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Guarantee Fund to carry out this section such sums as may be necessary for each of fiscal years 2001, 2002, 2003, 2004, and 2005.

''(k) REQUIREMENTS FOR STANDARD HOUSING.—

''(1) IN GENERAL.—The Secretary shall, by regulation, establish housing safety and quality standards to be applied for use under this section.

''(2) STANDARDS.—The standards referred to in paragraph (1) shall—

''(A) provide sufficient flexibility to permit the use of various designs and materials in housing acquired with loans guaranteed under this section; and

''(B) require each dwelling unit in any housing acquired in the manner described in subparagraph (A) to—

''(i) be decent, safe, sanitary, and modest in size and design;

''(ii) conform with applicable general construction standards for the region in which the housing is located;

''(iii) contain a plumbing system that—

''(I) uses a properly installed system of piping;

''(II) includes a kitchen sink and a partitional bathroom with lavatory, toilet, and bath or shower; and

''(III) uses water supply, plumbing, and sewage disposal systems that conform to any minimum standards established by the applicable county or State;

''(iv) contain an electrical system using wiring and equipment properly installed to safely supply electrical energy for adequate lighting and for operation of appliances that conforms to any appropriate county, State, or national code;

''(v) be not less than the size provided under the applicable locally adopted standards for size of dwelling units, except that the Secretary, upon request of the Department of Hawaiian Home Lands may waive the size requirements under this paragraph; and

''(vi) conform with the energy performance requirements for new construction established by the Secretary under section 526(a) of the National Housing Act (12 U.S.C.A. 1735f–4), unless the Secretary determines that the requirements are not applicable.

''(l) APPLICABILITY OF CIVIL RIGHTS STATUTES.—To the extent that the requirements of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) or of the Fair Housing Act (42 U.S.C.A. 3601 et seq.) apply to a guarantee provided under this subsection, nothing in the requirements concerning discrimination on the basis of race shall be construed to prevent the provision of the guarantee to an eligible entity on the basis that the entity serves Native Hawaiian families or is a Native Hawaiian family.''.

TITLE VI—MANUFACTURED HOUSING IMPROVEMENT

SEC. 601. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This title may be cited as the ''Manufactured Housing Improvement Act of 2000''.

(b) REFERENCES.—Whenever in this title an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.).

SEC. 602. FINDINGS AND PURPOSES.

Section 602 (42 U.S.C. 5401) is amended to read as follows:

''SEC. 602. FINDINGS AND PURPOSES.

''(a) FINDINGS.—Congress finds that—

''(1) manufactured housing plays a vital role in meeting the housing needs of the Nation; and

''(2) manufactured homes provide a significant resource for affordable homeownership and rental housing accessible to all Americans.

''(b) PURPOSES.—The purposes of this title are—

''(1) to protect the quality, durability, safety, and affordability of manufactured homes;

''(2) to facilitate the availability of affordable manufactured homes and to increase homeownership for all Americans;

''(3) to provide for the establishment of practical, uniform, and, to the extent possible, performance-based Federal construction standards for manufactured homes;

''(4) to encourage innovative and cost-effective construction techniques for manufactured homes;

''(5) to protect residents of manufactured homes with respect to personal injuries and the amount of insurance costs and property damages in manufactured housing, consistent with the other purposes of this section;

''(6) to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes and related regulations for the enforcement of such standards;

''(7) to ensure uniform and effective enforcement of Federal construction and safety standards for manufactured homes; and

''(8) to ensure that the public interest in, and need for, affordable manufactured housing is duly considered in all determinations relating to the Federal standards and their enforcement.''.

SEC. 603. DEFINITIONS.

(a) IN GENERAL.—Section 603 (42 U.S.C. 5402) is amended—

(1) in paragraph (2), by striking ''dealer'' and inserting ''retailer'';

(2) in paragraph (12), by striking ''and'' at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

''(14) 'administering organization' means the recognized, voluntary, private sector, consensus standards body with specific experience in developing model residential building codes and standards involving all disciplines regarding construction and safety that administers the consensus standards through a development process;

''(15) 'consensus committee' means the committee established under section 604(a)(3);

''(16) 'consensus standards development process' means the process by which additions, revisions, and interpretations to the Federal manufactured home construction and safety standards and enforcement regulations shall be developed and recommended to the Secretary by the consensus committee;

''(17) 'primary inspection agency' means a State agency or private organization that has been approved by the Secretary to act as a design approval primary inspection agency

or a production inspection primary inspection agency, or both;

''(18) 'design approval primary inspection agency' means a State agency or private organization that has been approved by the Secretary to evaluate and either approve or disapprove manufactured home designs and quality control procedures;

''(19) 'installation standards' means reasonable specifications for the installation of a manufactured home, at the place of occupancy, to ensure proper siting, the joining of all sections of the home, and the installation of stabilization, support, or anchoring systems;

''(20) 'monitoring' means the process of periodic review of the primary inspection agencies, by the Secretary or by a State agency under an approved State plan pursuant to section 623, in accordance with regulations promulgated under this title, giving due consideration to the recommendations of the consensus committee under section 604(b), which process shall be for the purpose of ensuring that the primary inspection agencies are discharging their duties under this title; and

''(21) 'production inspection primary inspection agency' means a State agency or private organization that has been approved by the Secretary to evaluate the ability of manufactured home manufacturing plants to comply with approved quality control procedures and with the Federal manufactured home construction and safety standards promulgated hereunder, including the inspection of homes in the plant.''.

(b) CONFORMING AMENDMENTS.—The National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) is amended—

(1) in section 613 (42 U.S.C. 5412), by striking ''dealer'' each place it appears and inserting ''retailer'';

(2) in section 614(f) (42 U.S.C. 5413(f)), by striking ''dealer'' each place it appears and inserting ''retailer'';

(3) in section 615 (42 U.S.C. 5414)—

(A) in subsection (b)(1), by striking ''dealer'' and inserting ''retailer'';

(B) in subsection (b)(3), by striking ''dealer or dealers'' and inserting ''retailer or retailers''; and

(C) in subsections (d) and (f), by striking ''dealers'' each place it appears and inserting ''retailers'';

(4) in section 616 (42 U.S.C. 5415), by striking ''dealer'' and inserting ''retailer''; and

(5) in section 623(c)(9), by striking ''dealers'' and inserting ''retailers''.

SEC. 604. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.

Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

''(a) ESTABLISHMENT.—

''(1) AUTHORITY.—The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards, each of which—

''(A) shall—

''(i) be reasonable and practical;

''(ii) meet high standards of protection consistent with the purposes of this title; and

''(iii) be performance-based and objectively stated, unless clearly inappropriate; and

''(B) except as provided in subsection (b), shall be established in accordance with the consensus standards development process.

''(2) CONSENSUS STANDARDS AND REGULATORY DEVELOPMENT PROCESS.—

''(A) INITIAL AGREEMENT.—Not later than 180 days after the date of enactment of the Manufactured Housing Improvement Act of 2000, the Secretary shall enter into a contract with an administering organization. The contractual agreement shall—

''(i) terminate on the date on which a contract is entered into under subparagraph (B); and

''(ii) require the administering organization to—

''(I) recommend the initial members of the consensus committee under paragraph (3);

''(II) administer the consensus standards development process until the termination of that agreement; and

''(III) administer the consensus development and interpretation process for procedural and enforcement regulations and regulations specifying the permissible scope and conduct of monitoring until the termination of that agreement.

''(B) COMPETITIVELY PROCURED CONTRACT.—Upon the expiration of the 4-year period beginning on the date on which all members of the consensus committee are appointed under paragraph (3), the Secretary shall, using competitive procedures (as such term is defined in section 4 of the Office of Federal Procurement Policy Act), enter into a competitively awarded contract with an administering organization. The administering organization shall administer the consensus process for the development and interpretation of the Federal standards, the procedural and enforcement regulations, and regulations specifying the permissible scope and conduct of monitoring, in accordance with this title.

''(C) PERFORMANCE REVIEW.—The Secretary—

''(i) shall periodically review the performance of the administering organization; and

''(ii) may replace the administering organization with another qualified technical or building code organization, pursuant to competitive procedures, if the Secretary determines in writing that the administering organization is not fulfilling the terms of the agreement or contract to which the administering organization is subject or upon the expiration of the agreement or contract.

''(3) CONSENSUS COMMITTEE.—

''(A) PURPOSE.—There is established a committee to be known as the 'consensus committee', which shall, in accordance with this title—

''(i) provide periodic recommendations to the Secretary to adopt, revise, and interpret the Federal manufactured housing construction and safety standards in accordance with this subsection;

''(ii) provide periodic recommendations to the Secretary to adopt, revise, and interpret the procedural and enforcement regulations, including regulations specifying the permissible scope and conduct of monitoring in accordance with subsection (b);

''(iii) be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions and for public participation; and

''(iv) be deemed to be an advisory committee not composed of Federal employees.

''(B) MEMBERSHIP.—The consensus committee shall be composed of—

''(i) 21 voting members appointed by the Secretary, after consideration of the recommendations of the administering organization, from among individuals who are qualified by background and experience to participate in the work of the consensus committee; and

''(ii) 1 nonvoting member appointed by the Secretary to represent the Secretary on the consensus committee.

''(C) DISAPPROVAL.—The Secretary shall state, in writing, the reasons for failing to appoint any individual recommended under paragraph (2)(A)(ii)(I).

''(D) SELECTION PROCEDURES AND REQUIREMENTS.—Each member of the consensus committee shall be appointed in accordance with selection procedures, which shall be based on the procedures for consensus committees promulgated by the American National Standards Institute (or successor organization), except that the American National Standards Institute interest categories shall be modified for purposes of this paragraph to ensure equal representation on the consensus committee of the following interest categories:

''(i) PRODUCERS.—Seven producers or retailers of manufactured housing.

''(ii) USERS.—Seven persons representing consumer interests, such as consumer organizations, recognized consumer leaders, and owners who are residents of manufactured homes.

''(iii) GENERAL INTEREST AND PUBLIC OFFICIALS.—Seven general interest and public official members.

''(E) BALANCING OF INTERESTS.—

''(i) IN GENERAL.—In order to achieve a proper balance of interests on the consensus committee, the Secretary, in appointing the members of the consensus committee—

''(I) shall ensure that all directly and materially affected interests have the opportunity for fair and equitable participation without dominance by any single interest; and

''(II) may reject the appointment of any 1 or more individuals in order to ensure that there is not dominance by any single interest.

''(ii) DOMINANCE DEFINED.—In this subparagraph, the term 'dominance' means a position or exercise of dominant authority, leadership, or influence by reason of superior leverage, strength, or representation.

''(F) ADDITIONAL QUALIFICATIONS.—

''(i) FINANCIAL INDEPENDENCE.—No individual appointed under subparagraph (D)(ii) shall have, and 3 of the individuals appointed under subparagraph (D)(iii) shall not have—

''(I) a significant financial interest in any segment of the manufactured housing industry; or

''(II) a significant relationship to any person engaged in the manufactured housing industry.

''(ii) POST-EMPLOYMENT BAN.—Each individual described in clause (i) shall be subject to a ban disallowing compensation from the manufactured housing industry during the period of, and during the 1-year following, the membership of the individual on the consensus committee.

''(G) MEETINGS.—

''(i) NOTICE; OPEN TO PUBLIC.—The consensus committee shall provide advance notice of each meeting of the consensus committee to the Secretary and cause to be published in the Federal Register advance notice of each such meeting. All meetings of the consensus committee shall be open to the public.

''(ii) REIMBURSEMENT.—Members of the consensus committee in attendance at meetings of the consensus committee shall be reimbursed for their actual expenses as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

''(H) ADMINISTRATION.—The consensus committee and the administering organization shall—

''(i) operate in conformance with the procedures established by the American National

Standards Institute for the development and coordination of American National Standards; and

''(ii) apply to the American National Standards Institute and take such other actions as may be necessary to obtain accreditation from the American National Standards Institute.

''(I) STAFF AND TECHNICAL SUPPORT.—The administering organization shall, upon the request of the consensus committee—

''(i) provide reasonable staff resources to the consensus committee; and

''(ii) furnish technical support in a timely manner to any of the interest categories described in subparagraph (D) represented on the consensus committee, if—

''(I) the support is necessary to ensure the informed participation of the consensus committee members; and

''(II) the costs of providing the support are reasonable.

''(J) DATE OF INITIAL APPOINTMENTS.—The initial appointments of all of the members of the consensus committee shall be completed not later than 90 days after the date on which a contractual agreement under paragraph (2)(A) is entered into with the administering organization.

''(4) REVISIONS OF STANDARDS.—

''(A) IN GENERAL.—Beginning on the date on which all members of the consensus committee are appointed under paragraph (3), the consensus committee shall, not less than once during each 2-year period—

''(i) consider revisions to the Federal manufactured home construction and safety standards; and

''(ii) submit proposed revised standards, if approved in a vote of the consensus committee by ⅔ of the members, to the Secretary in the form of a proposed rule, including an economic analysis.

''(B) PUBLICATION OF PROPOSED REVISED STANDARDS.—

''(i) PUBLICATION BY SECRETARY.—The consensus committee shall provide a proposed revised standard under subparagraph (A)(ii) to the Secretary who shall, not later than 30 days after receipt, cause such proposed revised standard to be published in the Federal Register for notice and comment in accordance with section 553 of title 5, United States Code. Unless clause (ii) applies, the Secretary shall provide an opportunity for public comment on such proposed revised standard in accordance with such section 553 and any such comments shall be submitted directly to the consensus committee, without delay.

''(ii) PUBLICATION OF REJECTED PROPOSED REVISED STANDARDS.—If the Secretary rejects the proposed revised standard, the Secretary shall cause to be published in the Federal Register the rejected proposed revised standard, the reasons for rejection, and any recommended modifications set forth.

''(C) PRESENTATION OF PUBLIC COMMENTS; PUBLICATION OF RECOMMENDED REVISIONS.—

''(i) PRESENTATION.—Any public comments, views, and objections to a proposed revised standard published under subparagraph (B) shall be presented by the Secretary to the consensus committee upon their receipt and in the manner received, in accordance with procedures established by the American National Standards Institute.

''(ii) PUBLICATION BY THE SECRETARY.—The consensus committee shall provide to the Secretary any revision proposed by the consensus committee, which the Secretary shall, not later than 30 calendar days after receipt, cause to be published in the Federal Register a notice of the recommended revisions of the consensus committee to the standards, a notice of the submission of the recommended revisions to the Secretary, and a description of the circumstances under which the proposed revised standards could become effective.

''(iii) PUBLICATION OF REJECTED PROPOSED REVISED STANDARDS.—If the Secretary rejects the proposed revised standard, the Secretary shall cause to be published in the Federal Register the rejected proposed revised standard, the reasons for rejection, and any recommended modifications set forth.

''(5) REVIEW BY THE SECRETARY.—

''(A) IN GENERAL.—The Secretary shall either adopt, modify, or reject a standard, as submitted by the consensus committee under paragraph (4)(A).

''(B) TIMING.—Not later than 12 months after the date on which a standard is submitted to the Secretary by the consensus committee, the Secretary shall take action regarding such standard under subparagraph (C).

''(C) PROCEDURES.—If the Secretary—

''(i) adopts a standard recommended by the consensus committee, the Secretary shall—

''(I) issue a final order without further rulemaking; and

''(II) cause the final order to be published in the Federal Register;

''(ii) determines that any standard should be rejected, the Secretary shall—

''(I) reject the standard; and

''(II) cause to be published in the Federal Register a notice to that effect, together with the reason or reasons for rejecting the proposed standard; or

''(iii) determines that a standard recommended by the consensus committee should be modified, the Secretary shall—

''(I) cause to be published in the Federal Register the proposed modified standard, together with an explanation of the reason or reasons for the determination of the Secretary; and

''(II) provide an opportunity for public comment in accordance with section 553 of title 5, United States Code.

''(D) FINAL ORDER.—Any final standard under this paragraph shall become effective pursuant to subsection (c).

''(6) FAILURE TO ACT.—If the Secretary fails to take final action under paragraph (5) and to cause notice of the action to be published in the Federal Register before the expiration of the 12-month period beginning on the date on which the proposed revised standard is submitted to the Secretary under paragraph (4)(A)—

''(A) the Secretary shall appear in person before the appropriate housing and appropriations subcommittees and committees of the House of Representatives and the Senate (referred to in this paragraph as the 'committees') on a date or dates to be specified by the committees, but in no event later than 30 days after the expiration of that 12-month period, and shall state before the committees the reasons for failing to take final action as required under paragraph (5); and

''(B) if the Secretary does not appear in person as required under subparagraph (A), the Secretary shall thereafter, and until such time as the Secretary does appear as required under subparagraph (A), be prohibited from expending any funds collected under authority of this title in an amount greater than that collected and expended in the fiscal year immediately preceding the date of enactment of the Manufactured Housing Improvement Act of 2000, indexed for inflation as determined by the Congressional Budget Office.

''(b) OTHER ORDERS.—

''(1) REGULATIONS.—The Secretary may issue procedural and enforcement regulations and revisions to existing regulations as necessary to implement the provisions of this title. The consensus committee may submit to the Secretary proposed procedural and enforcement regulations and recommendations for the revision of such regulations.

''(2) INTERPRETATIVE BULLETINS.—The Secretary may issue interpretative bulletins to clarify the meaning of any Federal manufactured home construction and safety standard or procedural and enforcement regulation. The consensus committee may submit to the Secretary proposed interpretative bulletins to clarify the meaning of any Federal manufactured home construction and safety standard or procedural and enforcement regulation.

''(3) REVIEW BY CONSENSUS COMMITTEE.—Before issuing a procedural or enforcement regulation or an interpretative bulletin—

''(A) the Secretary shall—

''(i) submit the proposed procedural or enforcement regulation or interpretative bulletin to the consensus committee; and

''(ii) provide the consensus committee with a period of 120 days to submit written comments to the Secretary on the proposed procedural or enforcement regulation or the interpretative bulletin; and

''(B) if the Secretary rejects any significant comment provided by the consensus committee under subparagraph (A), the Secretary shall provide a written explanation of the reasons for the rejection to the consensus committee; and

''(C) following compliance with subparagraphs (A) and (B), the Secretary shall—

''(i) cause the proposed regulation or interpretative bulletin and the consensus committee's written comments, along with the Secretary's response thereto, to be published in the Federal Register; and

''(ii) provide an opportunity for public comment in accordance with section 553 of title 5, United States Code.

''(4) REQUIRED ACTION.—Not later than 120 days after the date on which the Secretary receives a proposed regulation or interpretative bulletin submitted by the consensus committee, the Secretary shall—

''(A) approve the proposal and cause the proposed regulation or interpretative bulletin to be published for public comment in accordance with section 553 of title 5, United States Code; or

''(B) reject the proposed regulation or interpretative bulletin and—

''(i) provide to the consensus committee a written explanation of the reasons for rejection; and

''(ii) cause to be published in the Federal Register the rejected proposed regulation or interpretive bulletin, the reasons for rejection, and any recommended modifications set forth.

''(5) AUTHORITY TO ACT AND EMERGENCY.—If the Secretary determines, in writing, that such action is necessary to address an issue on which the Secretary determines that the consensus committee has not made a timely recommendation following a request by the Secretary, or in order to respond to an emergency that jeopardizes the public health or safety, the Secretary may issue an order that is not developed under the procedures set forth in subsection (a) or in this subsection, if the Secretary—

''(A) provides to the consensus committee a written description and sets forth the reasons why action is necessary and all supporting documentation; and

''(B) issues the order after notice and an opportunity for public comment in accordance with section 553 of title 5, United States Code, and causes the order to be published in the Federal Register.

''(6) CHANGES.—Any statement of policies, practices, or procedures relating to construction and safety standards, regulations, inspections, monitoring, or other enforcement activities that constitutes a statement of general or particular applicability to implement, interpret, or prescribe law or policy by the Secretary is subject to subsection (a) or this subsection. Any change adopted in violation of subsection (a) or this subsection is void.

''(7) TRANSITION.—Until the date on which the consensus committee is appointed pursuant to section 604(a)(3), the Secretary may issue proposed orders, pursuant to notice and comment in accordance with section 553 of title 5, United States Code, that are not developed under the procedures set forth in this section for new and revised standards.'';

(2) in subsection (d), by adding at the end the following: ''Federal preemption under this subsection shall be broadly and liberally construed to ensure that disparate State or local requirements or standards do not affect the uniformity and comprehensiveness of the standards promulgated under this section nor the Federal superintendence of the manufactured housing industry as established by this title. Subject to section 605, there is reserved to each State the right to establish standards for the stabilizing and support systems of manufactured homes sited within that State, and for the foundations on which manufactured homes sited within that State are installed, and the right to enforce compliance with such standards, except that such standards shall be consistent with the purposes of this title and shall be consistent with the design of the manufacturer.'';

(3) by striking subsection (e);

(4) in subsection (f), by striking the subsection designation and all of the matter that precedes paragraph (1) and inserting the following:

''(e) CONSIDERATIONS IN ESTABLISHING AND INTERPRETING STANDARDS AND REGULATIONS.—The consensus committee, in recommending standards, regulations, and interpretations, and the Secretary, in establishing standards or regulations or issuing interpretations under this section, shall—'';

(5) by striking subsection (g);

(6) in the first sentence of subsection (j), by striking ''subsection (f)'' and inserting ''subsection (e)''; and

(7) by redesignating subsections (h), (i), and (j), as subsections (f), (g), and (h), respectively.

SEC. 605. ABOLISHMENT OF NATIONAL MANUFACTURED HOME ADVISORY COUNCIL; MANUFACTURED HOME INSTALLATION.

(a) IN GENERAL.—Section 605 (42 U.S.C. 5404) is amended to read as follows:

''SEC. 605. MANUFACTURED HOME INSTALLATION.

''(a) PROVISION OF INSTALLATION DESIGN AND INSTRUCTIONS.—A manufacturer shall provide with each manufactured home, design and instructions for the installation of the manufactured home that have been approved by a design approval primary inspection agency. After establishment of model standards under subsection (b)(2), a design approval primary inspection agency may not give such approval unless a design and instruction provides equal or greater protection than the protection provided under such model standards.

''(b) MODEL MANUFACTURED HOME INSTALLATION STANDARDS.—

''(1) PROPOSED MODEL STANDARDS.—Not later than 18 months after the date on which the initial appointments of all of the members of the consensus committee are completed, the consensus committee shall develop and submit to the Secretary proposed model manufactured home installation standards, which shall, to the maximum extent practicable, taking into account the factors described in section 604(e), be consistent with—

''(A) the manufactured home designs that have been approved by a design approval primary inspection agency; and

''(B) the designs and instructions for the installation of manufactured homes provided by manufacturers under subsection (a).

''(2) ESTABLISHMENT OF MODEL STANDARDS.—Not later than 12 months after receiving the proposed model standards submitted under paragraph (1), the Secretary shall develop and establish model manufactured home installation standards, which shall, to the maximum extent practicable, taking into account the factors described in section 604(e), be consistent with—

''(A) the manufactured home designs that have been approved by a design approval primary inspection agency; and

''(B) the designs and instructions for the installation of manufactured homes provided by manufacturers under subsection (a).

''(3) FACTORS FOR CONSIDERATION.—

''(A) CONSENSUS COMMITTEE.—In developing the proposed model standards under paragraph (1), the consensus committee shall consider the factors described in section 604(e).

''(B) SECRETARY.—In developing and establishing the model standards under paragraph (2), the Secretary shall consider the factors described in section 604(e).

''(4) ISSUANCE.—The model manufactured home installation standards shall be issued after notice and an opportunity for public comment in accordance with section 553 of title 5, United States Code.

''(c) MANUFACTURED HOME INSTALLATION PROGRAMS.—

''(1) PROTECTION OF MANUFACTURED HOUSING RESIDENTS DURING INITIAL PERIOD.—During the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, no State or manufacturer may establish or implement any installation standards that, in the determination of the Secretary, provide less protection to the residents of manufactured homes than the protection provided by the installation standards in effect with respect to the State or manufacturer, as applicable, on the date of enactment of the Manufactured Housing Improvement Act of 2000.

''(2) INSTALLATION STANDARDS.—

''(A) ESTABLISHMENT OF INSTALLATION PROGRAM.—Not later than the expiration of the 5-year period described in paragraph (1), the Secretary shall establish an installation program that meets the requirements of paragraph (3) for the enforcement of installation standards in each State described in subparagraph (B) of this paragraph.

''(B) IMPLEMENTATION OF INSTALLATION PROGRAM.—Beginning on the expiration of the 5-year period described in paragraph (1), the Secretary shall implement the installation program established under subparagraph (A) in each State that does not have an installation program established by State law that meets the requirements of paragraph (3).

''(C) CONTRACTING OUT OF IMPLEMENTATION.—In carrying out subparagraph (B), the Secretary may contract with an appropriate agent to implement the installation program established under that subparagraph, except that such agent shall not be a person or entity other than a government, nor an affiliate or subsidiary of such a person or entity, that has entered into a contract with the Secretary to implement any other regulatory program under this title.

''(3) REQUIREMENTS.—An installation program meets the requirements of this paragraph if it is a program regulating the installation of manufactured homes that includes—

''(A) installation standards that, in the determination of the Secretary, provide protection to the residents of manufactured homes that equals or exceeds the protection provided to those residents by—

''(i) the model manufactured home installation standards established by the Secretary under subsection (b)(2); or

''(ii) the designs and instructions provided by manufacturers under subsection (a), if the Secretary determines that such designs and instructions provide protection to the residents of manufactured homes that equals or exceeds the protection provided by the model manufactured home installation standards established by the Secretary under subsection (b)(2);

''(B) the training and licensing of manufactured home installers; and

''(C) inspection of the installation of manufactured homes.''.

(b) CONFORMING AMENDMENTS.—Section 623(c) (42 U.S.C. 5422(c)) is amended—

(1) in paragraph (10), by striking ''and'' at the end;

(2) by redesignating paragraph (11) as paragraph (13); and

(3) by inserting after paragraph (10) the following:

''(11) with respect to any State plan submitted on or after the expiration of the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, provides for an installation program established by State law that meets the requirements of section 605(c)(3);''.

SEC. 606. PUBLIC INFORMATION.

Section 607 (42 U.S.C. 5406) is amended—

(1) in subsection (a)—

(A) by inserting ''to the Secretary'' after ''submit''; and

(B) by adding at the end the following: ''The Secretary shall submit such cost and other information to the consensus committee for evaluation.'';

(2) in subsection (d), by inserting '', the consensus committee,'' after ''public''; and

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 607. RESEARCH, TESTING, DEVELOPMENT, AND TRAINING.

(a) IN GENERAL.—Section 608(a) (42 U.S.C. 5407(a)) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(4) encouraging the government-sponsored housing entities to actively develop and implement secondary market securitization programs for the FHA manufactured home loans and those of other loan programs, as appropriate, thereby promoting the availability of affordable manufactured homes to increase homeownership for all people in the United States; and

''(5) reviewing the programs for FHA manufactured home loans and developing any

changes to such programs to promote the affordability of manufactured homes, including changes in loan terms, amortization periods, regulations, and procedures.''.

(b) DEFINITIONS.—Section 608 (42 U.S.C. 5407) is amended by adding at the end the following:

''(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) GOVERNMENT-SPONSORED HOUSING ENTITIES.—The term 'government-sponsored housing entities' means the Government National Mortgage Association of the Department of Housing and Urban Development, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation.

''(2) FHA MANUFACTURED HOME LOAN.—The term 'FHA manufactured home loan' means a loan that—

''(A) is insured under title I of the National Housing Act and is made for the purpose of financing alterations, repairs, or improvements on or in connection with an existing manufactured home, the purchase of a manufactured home, the purchase of a manufactured home and a lot on which to place the home, or the purchase only of a lot on which to place a manufactured home; or

''(B) is otherwise insured under the National Housing Act and made for or in connection with a manufactured home.''.

SEC. 608. PROHIBITED ACTS.

Section 610(a) (42 U.S.C. 5409(a)) is amended—

(1) in paragraph (5), by striking ''or'' at the end;

(2) in paragraph (6), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following new paragraph:

''(7) after the expiration of the period specified in section 605(c)(2)(B), fail to comply with the requirements for the installation program required by section 605 in any State that has not adopted and implemented a State installation program.''.

SEC. 609. FEES.

Section 620 (42 U.S.C. 5419) is amended to read as follows:

''SEC. 620. AUTHORITY TO COLLECT FEE.

''(a) IN GENERAL.—In carrying out inspections under this title, in developing standards and regulations pursuant to section 604, and in facilitating the acceptance of the affordability and availability of manufactured housing within the Department, the Secretary may—

''(1) establish and collect from manufactured home manufacturers a reasonable fee, as may be necessary to offset the expenses incurred by the Secretary in connection with carrying out the responsibilities of the Secretary under this title, including—

''(A) conducting inspections and monitoring;

''(B) providing funding to States for the administration and implementation of approved State plans under section 623, including reasonable funding for cooperative educational and training programs designed to facilitate uniform enforcement under this title, which funds may be paid directly to the States or may be paid or provided to any person or entity designated to receive and disburse such funds by cooperative agreements among participating States, provided that such person or entity is not otherwise an agent of the Secretary under this title;

''(C) providing the funding for a noncareer administrator within the Department to administer the manufactured housing program;

''(D) providing the funding for salaries and expenses of employees of the Department to carry out the manufactured housing program;

''(E) administering the consensus committee as set forth in section 604;

''(F) facilitating the acceptance of the quality, durability, safety, and affordability of manufactured housing within the Department; and

''(G) the administration and enforcement of the installation standards authorized by section 605 in States in which the Secretary is required to implement an installation program after the expiration of the 5-year period set forth in section 605(c)(2)(B), and the administration and enforcement of a dispute resolution program described in section 623(c)(12) in States in which the Secretary is required to implement such a program after the expiration of the 5-year period set forth in section 623(g)(2); and

''(2) subject to subsection (e), use amounts from any fee collected under paragraph (1) of this subsection to pay expenses referred to in that paragraph, which shall be exempt and separate from any limitations on the Department regarding full-time equivalent positions and travel.

''(b) CONTRACTORS.—In using amounts from any fee collected under this section, the Secretary shall ensure that separate and independent contractors are retained to carry out monitoring and inspection work and any other work that may be delegated to a contractor under this title.

''(c) PROHIBITED USE.—No amount from any fee collected under this section may be used for any purpose or activity not specifically authorized by this title, unless such activity was already engaged in by the Secretary prior to the date of enactment of the Manufactured Housing Improvement Act of 2000.

''(d) MODIFICATION.—Beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, the amount of any fee collected under this section may only be modified—

''(1) as specifically authorized in advance in an annual appropriations Act; and

''(2) pursuant to rulemaking in accordance with section 553 of title 5, United States Code.

''(e) APPROPRIATION AND DEPOSIT OF FEES.—

''(1) IN GENERAL.—There is established in the Treasury of the United States a fund to be known as the 'Manufactured Housing Fees Trust Fund' for deposit of amounts from any fee collected under this section. Such amounts shall be held in trust for use only as provided in this title.

''(2) APPROPRIATION.—Amounts from any fee collected under this section shall be available for expenditure only to the extent approved in advance in an annual appropriations Act. Any change in the expenditure of such amounts shall be specifically authorized in advance in an annual appropriations Act.

''(3) PAYMENTS TO STATES.—On and after the effective date of the Manufactured Housing Improvement Act of 2000, the Secretary shall continue to fund the States having approved State plans in the amounts which are not less than the allocated amounts, based on the fee distribution system in effect on the day before such effective date.''.

SEC. 610. DISPUTE RESOLUTION.

Section 623(c) (42 U.S.C. 5422(c)) is amended—

(1) by inserting after paragraph (11) (as added by the preceding provisions of this title) the following:

''(12) with respect to any State plan submitted on or after the expiration of the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, provides for a dispute resolution program for the timely resolution of disputes between manufacturers, retailers, and installers of manufactured homes regarding responsibility, and for the issuance of appropriate orders, for the correction or repair of defects in manufactured homes that are reported during the 1-year period beginning on the date of installation; and''; and

(2) by adding at the end the following:

''(g) ENFORCEMENT OF DISPUTE RESOLUTION STANDARDS.—

''(1) ESTABLISHMENT OF DISPUTE RESOLUTION PROGRAM.—Not later than the expiration of the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, the Secretary shall establish a dispute resolution program that meets the requirements of subsection (c)(12) for dispute resolution in each State described in paragraph (2) of this subsection. The order establishing the dispute resolution program shall be issued after notice and opportunity for public comment in accordance with section 553 of title 5, United States Code.

''(2) IMPLEMENTATION OF DISPUTE RESOLUTION PROGRAM.—Beginning on the expiration of the 5-year period described in paragraph (1), the Secretary shall implement the dispute resolution program established under paragraph (1) in each State that has not established a dispute resolution program that meets the requirements of subsection (c)(12).

''(3) CONTRACTING OUT OF IMPLEMENTATION.—In carrying out paragraph (2), the Secretary may contract with an appropriate agent to implement the dispute resolution program established under paragraph (2), except that such agent shall not be a person or entity other than a government, nor an affiliate or subsidiary of such a person or entity, that has entered into a contract with the Secretary to implement any other regulatory program under this title.''.

SEC. 611. ELIMINATION OF ANNUAL REPORTING REQUIREMENT.

The National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) is amended—

(1) by striking section 626 (42 U.S.C. 5425); and

(2) by redesignating sections 627 and 628 (42 U.S.C. 5426, 5401 note) as sections 626 and 627, respectively.

SEC. 612. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of enactment of this Act, except that the amendments shall have no effect on any order or interpretative bulletin that is issued under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) and published as a proposed rule pursuant to section 553 of title 5, United States Code, on or before that date of enactment.

SEC. 613. SAVINGS PROVISIONS.

(a) STANDARDS AND REGULATIONS.—The Federal manufactured home construction and safety standards (as such term is defined in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974) and all regulations pertaining thereto in effect on the day before the date of enactment of this Act shall apply until the effective date of a standard or regulation modifying or superseding the existing standard or regulation that is promulgated under subsection (a) or (b) of section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by this title.

(b) CONTRACTS.—Any contract awarded pursuant to a Request for Proposal issued before the date of enactment of this Act shall remain in effect until the earlier of—

(1) the expiration of the 2-year period beginning on the date of enactment of this Act; or

(2) the expiration of the contract term.

TITLE VII—RURAL HOUSING HOMEOWNERSHIP

SEC. 701. GUARANTEES FOR REFINANCING OF RURAL HOUSING LOANS.

Section 502(h) of the Housing Act of 1949 (42 U.S.C. 1472(h)) is amended by adding at the end the following new paragraph:

''(13) GUARANTEES FOR REFINANCING LOANS.—

''(A) IN GENERAL.—Upon the request of the borrower, the Secretary shall, to the extent provided in appropriation Acts and subject to subparagraph (F), guarantee a loan that is made to refinance an existing loan that is made under this section or guaranteed under this subsection, and that the Secretary determines complies with the requirements of this paragraph.

''(B) INTEREST RATE.—To be eligible for a guarantee under this paragraph, the refinancing loan shall have a rate of interest that is fixed over the term of the loan and does not exceed the interest rate of the loan being refinanced.

''(C) SECURITY.—To be eligible for a guarantee under this paragraph, the refinancing loan shall be secured by the same single-family residence as was the loan being refinanced, which shall be owned by the borrower and occupied by the borrower as the principal residence of the borrower.

''(D) AMOUNT.—To be eligible for a guarantee under this paragraph, the principal obligation under the refinancing loan shall not exceed an amount equal to the sum of the balance of the loan being refinanced and such closing costs as may be authorized by the Secretary, which shall include a discount not exceeding 2 basis points and an origination fee not exceeding such amount as the Secretary shall prescribe.

''(E) OTHER REQUIREMENTS.—The provisions of the last sentence of paragraph (1) and paragraphs (2), (5), (6)(A), (7), and (9) shall apply to loans guaranteed under this paragraph, and no other provisions of paragraphs (1) through (12) shall apply to such loans.

''(F) AUTHORITY TO ESTABLISH LIMITATION.—The Secretary may establish limitations on the number of loans guaranteed under this paragraph, which shall be based on market conditions and other factors as the Secretary considers appropriate.''.

SEC. 702. PROMISSORY NOTE REQUIREMENT UNDER HOUSING REPAIR LOAN PROGRAM.

The fourth sentence of section 504(a) of the Housing Act of 1949 (42 U.S.C. 1474(a)) is amended by striking ''$2,500'' and inserting ''$7,500''.

SEC. 703. LIMITED PARTNERSHIP ELIGIBILITY FOR FARM LABOR HOUSING LOANS.

The first sentence of section 514(a) of the Housing Act of 1949 (42 U.S.C. 1484(a)) is amended by striking ''nonprofit limited partnership'' and inserting ''limited partnership''.

SEC. 704. PROJECT ACCOUNTING RECORDS AND PRACTICES.

Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended by striking subsection (z) and inserting the following new subsections:

''(z) ACCOUNTING AND RECORDKEEPING REQUIREMENTS.—

''(1) ACCOUNTING STANDARDS.—The Secretary shall require that borrowers in programs authorized by this section maintain accounting records in accordance with generally accepted accounting principles for all projects that receive funds from loans made or guaranteed by the Secretary under this section.

''(2) RECORD RETENTION REQUIREMENTS.—The Secretary shall require that borrowers in programs authorized by this section retain for a period of not less than 6 years and make available to the Secretary in a manner determined by the Secretary, all records required to be maintained under this subsection and other records identified by the Secretary in applicable regulations.

''(aa) DOUBLE DAMAGES FOR UNAUTHORIZED USE OF HOUSING PROJECTS ASSETS AND INCOME.—

''(1) ACTION TO RECOVER ASSETS OR INCOME.—

''(A) IN GENERAL.—The Secretary may request the Attorney General to bring an action in a United States district court to recover any assets or income used by any person in violation of the provisions of a loan made or guaranteed by the Secretary under this section or in violation of any applicable statute or regulation.

''(B) IMPROPER DOCUMENTATION.—For purposes of this subsection, a use of assets or income in violation of the applicable loan, loan guarantee, statute, or regulation shall include any use for which the documentation in the books and accounts does not establish that the use was made for a reasonable operating expense or necessary repair of the project or for which the documentation has not been maintained in accordance with the requirements of the Secretary and in reasonable condition for proper audit.

''(C) DEFINITION.—For the purposes of this subsection, the term 'person' means—

''(i) any individual or entity that borrows funds in accordance with programs authorized by this section;

''(ii) any individual or entity holding 25 percent or more interest of any entity that borrows funds in accordance with programs authorized by this section; and

''(iii) any officer, director, or partner of an entity that borrows funds in accordance with programs authorized by this section.

''(2) AMOUNT RECOVERABLE.—

''(A) IN GENERAL.—In any judgment favorable to the United States entered under this subsection, the Attorney General may recover double the value of the assets and income of the project that the court determines to have been used in violation of the provisions of a loan made or guaranteed by the Secretary under this section or any applicable statute or regulation, plus all costs related to the action, including reasonable attorney and auditing fees.

''(B) APPLICATION OF RECOVERED FUNDS.—Notwithstanding any other provision of law, the Secretary may use amounts recovered under this subsection for activities authorized under this section and such funds shall remain available for such use until expended.

''(3) TIME LIMITATION.—Notwithstanding any other provision of law, an action under this subsection may be commenced at any time during the 6-year period beginning on the date that the Secretary discovered or should have discovered the violation of the provisions of this section or any related statutes or regulations.

''(4) CONTINUED AVAILABILITY OF OTHER REMEDIES.—The remedy provided in this subsection is in addition to and not in substitution of any other remedies available to the Secretary or the United States.''.

SEC. 705. DEFINITION OF RURAL AREA.

The second sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended—

(1) by striking ''1990 decennial census'' and inserting ''1990 or 2000 decennial census''; and

(2) by striking ''year 2000'' and inserting ''year 2010''.

SEC. 706. OPERATING ASSISTANCE FOR MIGRANT FARMWORKERS PROJECTS.

The last sentence of section 521(a)(5)(A) of the Housing Act of 1949 (42 U.S.C. 1490a(a)(5)(A)) is amended by striking ''project'' and inserting ''tenant or unit''.

SEC. 707. MULTIFAMILY RENTAL HOUSING LOAN GUARANTEE PROGRAM.

Section 538 of the Housing Act of 1949 (42 U.S.C. 1490p–2) is amended—

(1) in subsection (c), by inserting ''an Indian tribe,'' after ''thereof,'';

(2) in subsection (f), by striking paragraph (1) and inserting the following new paragraph:

''(1) be made for a period of not less than 25 nor greater than 40 years from the date the loan was made and may provide for amortization of the loan over a period of not to exceed 40 years with a final payment of the balance due at the end of the loan term;'';

(3) in subsection (i)(2), by striking ''(A) conveyance to the Secretary'' and all that follows through ''(C) assignment'' and inserting ''(A) submission to the Secretary of a claim for payment under the guarantee, and (B) assignment'';

(4) in subsection (s), by adding at the end the following new subsection:

''(4) INDIAN TRIBE.—The term 'Indian tribe' means—

''(A) any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation, as defined by or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.); or

''(B) any entity established by the governing body of an Indian tribe described in subparagraph (A) for the purpose of financing economic development.'';

(5) in subsection (t), by inserting before the period at the end the following: ''to provide guarantees under this section for eligible loans having an aggregate principal amount of $500,000,000'';

(6) by striking subsection (l);

(7) by redesignating subsections (m) through (u) as subsections (l) through (t), respectively; and

(8) by adding at the end the following new subsections:

''(u) FEE AUTHORITY.—Any amounts collected by the Secretary pursuant to the fees charged to lenders for loan guarantees issued under this section shall be used to offset costs (as defined by section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a)) of loan guarantees made under this section.

''(v) DEFAULTS OF LOANS SECURED BY RESERVATION LANDS.—In the event of a default involving a loan to an Indian tribe or tribal corporation made under this section which is secured by an interest in land within such tribe's reservation (as determined by the Secretary of the Interior), including a community in Alaska incorporated by the Secretary of the Interior pursuant to the Indian Reorganization Act (25 U.S.C. 461 et seq.), the lender shall only pursue liquidation after offering to transfer the account to an eligible

tribal member, the tribe, or the Indian housing authority serving the tribe. If the lender subsequently proceeds to liquidate the account, the lender shall not sell, transfer, or otherwise dispose of or alienate the property except to one of the entities described in the preceding sentence.''.

SEC. 708. ENFORCEMENT PROVISIONS.

(a) IN GENERAL.—Title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.) is amended by adding after section 542 the following:

''SEC. 543. ENFORCEMENT PROVISIONS.

''(a) EQUITY SKIMMING.—

''(1) CRIMINAL PENALTY.—Whoever, as an owner, agent, employee, or manager, or is otherwise in custody, control, or possession of property that is security for a loan made or guaranteed under this title, willfully uses, or authorizes the use, of any part of the rents, assets, proceeds, income, or other funds derived from such property, for any purpose other than to meet actual, reasonable, and necessary expenses of the property, or for any other purpose not authorized by this title or the regulations adopted pursuant to this title, shall be fined under title 18, United States Code, or imprisoned not more than 5 years, or both.

''(2) CIVIL SANCTIONS.—An entity or individual who as an owner, operator, employee, or manager, or who acts as an agent for a property that is security for a loan made or guaranteed under this title where any part of the rents, assets, proceeds, income, or other funds derived from such property are used for any purpose other than to meet actual, reasonable, and necessary expenses of the property, or for any other purpose not authorized by this title or the regulations adopted pursuant to this title, shall be subject to a fine of not more than $25,000 per violation. The sanctions provided in this paragraph may be imposed in addition to any other civil sanctions or civil monetary penalties authorized by law.

''(b) CIVIL MONETARY PENALTIES.—

''(1) IN GENERAL.—The Secretary may, after notice and opportunity for a hearing, impose a civil monetary penalty in accordance with this subsection against any individual or entity, including its owners, officers, directors, general partners, limited partners, or employees, who knowingly and materially violate, or participate in the violation of, the provisions of this title, the regulations issued by the Secretary pursuant to this title, or agreements made in accordance with this title, by—

''(A) submitting information to the Secretary that is false;

''(B) providing the Secretary with false certifications;

''(C) failing to submit information requested by the Secretary in a timely manner;

''(D) failing to maintain the property subject to loans made or guaranteed under this title in good repair and condition, as determined by the Secretary;

''(E) failing to provide management for a project which received a loan made or guaranteed under this title that is acceptable to the Secretary; or

''(F) failing to comply with the provisions of applicable civil rights statutes and regulations.

''(2) CONDITIONS FOR RENEWAL OR EXTENSION.—The Secretary may require that expiring loan or assistance agreements entered into under this title shall not be renewed or extended unless the owner executes an agreement to comply with additional conditions prescribed by the Secretary, or executes a new loan or assistance agreement in the form prescribed by the Secretary.

''(3) AMOUNT.—

''(A) IN GENERAL.—The amount of a civil monetary penalty imposed under this subsection shall not exceed the greater of—

''(i) twice the damages the Department of Agriculture, the guaranteed lender, or the project that is secured for a loan under this section suffered or would have suffered as a result of the violation; or

''(ii) $50,000 per violation.

''(B) DETERMINATION.—In determining the amount of a civil monetary penalty under this subsection, the Secretary shall take into consideration—

''(i) the gravity of the offense;

''(ii) any history of prior offenses by the violator (including offenses occurring prior to the enactment of this section);

''(iii) the ability of the violator to pay the penalty;

''(iv) any injury to tenants;

''(v) any injury to the public;

''(vi) any benefits received by the violator as a result of the violation;

''(vii) deterrence of future violations; and

''(viii) such other factors as the Secretary may establish by regulation.

''(4) PAYMENT OF PENALTIES.—No payment of a penalty assessed under this section may be made from funds provided under this title or from funds of a project which serve as security for a loan made or guaranteed under this title.

''(5) REMEDIES FOR NONCOMPLIANCE.—

''(A) JUDICIAL INTERVENTION.—If a person or entity fails to comply with a final determination by the Secretary imposing a civil monetary penalty under this subsection, the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against such individual or entity and such other relief as may be available. The monetary judgment may, in the court's discretion, include the attorney's fees and other expenses incurred by the United States in connection with the action.

''(B) REVIEWABILITY OF DETERMINATION.—In an action under this paragraph, the validity and appropriateness of a determination by the Secretary imposing the penalty shall not be subject to review.''.

(b) CONFORMING AMENDMENT.—Section 514 of the Housing Act of 1949 (42 U.S.C. 1484) is amended by striking subsection (j).

SEC. 709. AMENDMENTS TO TITLE 18 OF UNITED STATES CODE.

(a) MONEY LAUNDERING.—Section 1956(c)(7)(D) of title 18, United States Code, is amended by inserting ''any violation of section 543(a)(1) of the Housing Act of 1949 (relating to equity skimming),'' after ''coupons having a value of not less than $5,000,''.

(b) OBSTRUCTION OF FEDERAL AUDITS.—Section 1516(a) of title 18, United States Code, is amended by inserting ''or relating to any property that is security for a loan that is made or guaranteed under title V of the Housing Act of 1949,'' before ''shall be fined under this title''.

TITLE VIII—HOUSING FOR ELDERLY AND DISABLED FAMILIES

SEC. 801. SHORT TITLE.

This title may be cited as the ''Affordable Housing for Seniors and Families Act''.

SEC. 802. REGULATIONS.

The Secretary of Housing and Urban Development (referred to in this title as the ''Secretary'') shall issue any regulations to carry out this title and the amendments made by this title that the Secretary determines may or will affect tenants of federally assisted housing only after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). Notice of such proposed rulemaking shall be provided by publication in the Federal Register. In issuing such regulations, the Secretary shall take such actions as may be necessary to ensure that such tenants are notified of, and provided an opportunity to participate in, the rulemaking, as required by such section 553.

SEC. 803. EFFECTIVE DATE.

(a) IN GENERAL.—The provisions of this title and the amendments made by this title are effective as of the date of enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability upon another date certain.

(b) EFFECT OF REGULATORY AUTHORITY.—Any authority in this title or the amendments made by this title to issue regulations, and any specific requirement to issue regulations by a date certain, may not be construed to affect the effectiveness or applicability of the provisions of this title or the amendments made by this title under such provisions and amendments and subsection (a) of this section.

Subtitle A—Refinancing for Section 202 Supportive Housing for the Elderly

SEC. 811. PREPAYMENT AND REFINANCING.

(a) APPROVAL OF PREPAYMENT OF DEBT.—Upon request of the project sponsor of a project assisted with a loan under section 202 of the Housing Act of 1959 (as in effect before the enactment of the Cranston-Gonzalez National Affordable Housing Act), the Secretary shall approve the prepayment of any indebtedness to the Secretary relating to any remaining principal and interest under the loan as part of a prepayment plan under which—

(1) the project sponsor agrees to operate the project until the maturity date of the original loan under terms at least as advantageous to existing and future tenants as the terms required by the original loan agreement or any rental assistance payments contract under section 8 of the United States Housing Act of 1937 (or any other rental housing assistance programs of the Department of Housing and Urban Development, including the rent supplement program under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s)) relating to the project; and

(2) the prepayment may involve refinancing of the loan if such refinancing results in a lower interest rate on the principal of the loan for the project and in reductions in debt service related to such loan.

(b) SOURCES OF REFINANCING.—In the case of prepayment under this section involving refinancing, the project sponsor may refinance the project through any third party source, including financing by State and local housing finance agencies, use of tax-exempt bonds, multi-family mortgage insurance under the National Housing Act, reinsurance, or other credit enhancements, including risk sharing as provided under section 542 of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note). For purposes of underwriting a loan insured under the National Housing Act, the Secretary may assume that any section 8 rental assistance contract relating to a project will be renewed for the term of such loan.

(c) USE OF UNEXPENDED AMOUNTS.—Upon execution of the refinancing for a project pursuant to this section, the Secretary shall

make available at least 50 percent of the annual savings resulting from reduced section 8 or other rental housing assistance contracts in a manner that is advantageous to the tenants, including—

(1) not more than 15 percent of the cost of increasing the availability or provision of supportive services, which may include the financing of service coordinators and congregate services;

(2) rehabilitation, modernization, or retrofitting of structures, common areas, or individual dwelling units;

(3) construction of an addition or other facility in the project, including assisted living facilities (or, upon the approval of the Secretary, facilities located in the community where the project sponsor refinances a project under this section, or pools shared resources from more than 1 such project); or

(4) rent reduction of unassisted tenants residing in the project according to a pro rata allocation of shared savings resulting from the refinancing.

(d) USE OF CERTAIN PROJECT FUNDS.—The Secretary shall allow a project sponsor that is prepaying and refinancing a project under this section—

(1) to use any residual receipts held for that project in excess of $500 per individual dwelling unit for not more than 15 percent of the cost of activities designed to increase the availability or provision of supportive services; and

(2) to use any reserves for replacement in excess of $1,000 per individual dwelling unit for activities described in paragraphs (2) and (3) of subsection (c).

(e) BUDGET ACT COMPLIANCE.—This section shall be effective only to extent or in such amounts that are provided in advance in appropriation Acts.

Subtitle B—Authorization of Appropriations for Supportive Housing for the Elderly and Persons With Disabilities

SEC. 821. SUPPORTIVE HOUSING FOR ELDERLY PERSONS.

Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) is amended by adding at the end the following:

''(m) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for providing assistance under this section such sums as may be necessary for each of fiscal years 2001, 2002, and 2003. Of the amount provided in appropriation Acts for assistance under this section in each such fiscal year, 5 percent shall be available only for providing assistance in accordance with the requirements under subsection (c)(4) (relating to matching funds), except that if there are insufficient eligible applicants for such assistance, any amount remaining shall be used for assistance under this section.''.

SEC. 822. SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.

Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) is amended by striking subsection (m) and inserting the following:

''(m) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for providing assistance under this section such sums as may be necessary for each of fiscal years 2001, 2002, and 2003. Of the amount provided in appropriation Acts for assistance under this section in each such fiscal year, 5 percent shall be available only for providing assistance in accordance with the requirements under subsection (d)(5) (relating to matching funds), except that if there are insufficient eligible applicants for such assistance, any amount remaining shall be used for assistance under this section.''.

SEC. 823. SERVICE COORDINATORS AND CONGREGATE SERVICES FOR ELDERLY AND DISABLED HOUSING.

There are authorized to be appropriated to the Secretary such sums as may be necessary for each of fiscal years 2001, 2002, and 2003, for the following purposes:

(1) GRANTS FOR SERVICE COORDINATORS FOR CERTAIN FEDERALLY ASSISTED MULTIFAMILY HOUSING.—For grants under section 676 of the Housing and Community Development Act of 1992 (42 U.S.C. 13632) for providing service coordinators.

(2) CONGREGATE SERVICES FOR FEDERALLY ASSISTED HOUSING.—For contracts under section 802 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011) to provide congregate services programs for eligible residents of eligible housing projects under subparagraphs (B) through (D) of subsection (k)(6) of such section.

Subtitle C—Expanding Housing Opportunities for the Elderly and Persons With Disabilities

PART 1—HOUSING FOR THE ELDERLY

SEC. 831. ELIGIBILITY OF FOR-PROFIT LIMITED PARTNERSHIPS.

Section 202(k)(4) of the Housing Act of 1959 (12 U.S.C. 1701q(k)(4)) is amended by inserting after subparagraph (C) the following:

''Such term includes a for-profit limited partnership the sole general partner of which is an organization meeting the requirements under subparagraphs (A), (B), and (C), or a corporation wholly owned and controlled by an organization meeting the requirements under subparagraphs (A), (B), and (C).''.

SEC. 832. MIXED FUNDING SOURCES.

Section 202(h)(6) of the Housing Act of 1959 (12 U.S.C. 1701q(h)(6)) is amended—

(1) by striking ''non-Federal sources'' and inserting ''sources other than this section''; and

(2) by adding at the end the following new sentence: ''Notwithstanding any other provision of law, assistance amounts provided under this section may be treated as amounts not derived from a Federal grant.''.

SEC. 833. AUTHORITY TO ACQUIRE STRUCTURES.

Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) is amended—

(1) in subsection (b), by striking ''from the Resolution Trust Corporation''; and

(2) in subsection (h)(2)—

(A) in the paragraph heading, by striking ''RTC PROPERTIES'' and inserting ''ACQUISITION''; and

(B) by striking ''from the Resolution'' and all that follows through ''Insurance Act''.

SEC. 834. USE OF PROJECT RESERVES.

Section 202(j) of the Housing Act of 1959 (12 U.S.C. 1701q(j)) is amended by adding at the end the following:

''(8) USE OF PROJECT RESERVES.—Amounts for project reserves for a project assisted under this section may be used for costs, subject to reasonable limitations as the Secretary determines appropriate, for reducing the number of dwelling units in the project. Such use shall be subject to the approval of the Secretary to ensure that the use is designed to retrofit units that are currently obsolete or unmarketable.''.

SEC. 835. COMMERCIAL ACTIVITIES.

Section 202(h)(1) of the Housing Act of 1959 (12 U.S.C. 1701q(h)(1)) is amended by adding at the end the following: ''Neither this section nor any other provision of law may be construed as prohibiting or preventing the location and operation, in a project assisted under this section, of commercial facilities for the benefit of residents of the project and the community in which the project is located, except that assistance made available under this section may not be used to subsidize any such commercial facility.''.

PART 2—HOUSING FOR PERSONS WITH DISABILITIES

SEC. 841. ELIGIBILITY OF FOR-PROFIT LIMITED PARTNERSHIPS.

Section 811(k)(6) of the Housing Act of 1959 (42 U.S.C. 8013(k)(6)) is amended by inserting after subparagraph (D) the following:

''Such term includes a for-profit limited partnership the sole general partner of which is an organization meeting the requirements under subparagraphs (A), (B), (C), and (D) or a corporation wholly owned and controlled by an organization meeting the requirements under subparagraphs (A), (B), (C), and (D).''.

SEC. 842. MIXED FUNDING SOURCES.

Section 811(h)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(h)(5)) is amended—

(1) by striking ''non-Federal sources'' and inserting ''sources other than this section''; and

(2) by adding at the end the following new sentence: ''Notwithstanding any other provision of law, assistance amounts provided under this section may be treated as amounts not derived from a Federal grant.''.

SEC. 843. TENANT-BASED ASSISTANCE.

Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) is amended—

(1) in subsection (d), by striking paragraph (4) and inserting the following:

''(4) TENANT-BASED RENTAL ASSISTANCE.—

''(A) ADMINISTERING ENTITIES.—Tenant-based rental assistance provided under subsection (b)(1) may be provided only through a public housing agency that has submitted and had approved an plan under section 7(d) of the United States Housing Act of 1937 (42 U.S.C. 1437e(d)) that provides for such assistance, or through a private nonprofit organization. A public housing agency shall be eligible to apply under this section only for the purposes of providing such tenant-based rental assistance.

''(B) PROGRAM RULES.—Tenant-based rental assistance under subsection (b)(1) shall be made available to eligible persons with disabilities and administered under the same rules that govern tenant-based rental assistance made available under section 8 of the United States Housing Act of 1937, except that the Secretary may waive or modify such rules, but only to the extent necessary to provide for administering such assistance under subsection (b)(1) through private nonprofit organizations rather than through public housing agencies.

''(C) ALLOCATION OF ASSISTANCE.—In determining the amount of assistance provided under subsection (b)(1) for a private nonprofit organization or public housing agency, the Secretary shall consider the needs and capabilities of the organization or agency, in the case of a public housing agency, as described in the plan for the agency under section 7 of the United States Housing Act of 1937.''; and

(2) in subsection (l)(1)—

(A) by striking ''subsection (b)'' and inserting ''subsection (b)(2)'';

(B) by striking the last comma and all that follows through ''subsection (n)''; and

(C) by adding at the end the following: ''Notwithstanding any other provision of this section, the Secretary may use not more than 25 percent of the total amounts made available for assistance under this section for any fiscal year for tenant-based rental assistance under subsection (b)(1) for persons

with disabilities, and no authority of the Secretary to waive provisions of this section may be used to alter the percentage limitation under this sentence.''.

SEC. 844. USE OF PROJECT RESERVES.

Section 811(j) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(j)) is amended by adding at the end the following:

''(7) USE OF PROJECT RESERVES.—Amounts for project reserves for a project assisted under this section may be used for costs, subject to reasonable limitations as the Secretary determines appropriate, for reducing the number of dwelling units in the project. Such use shall be subject to the approval of the Secretary to ensure that the use is designed to retrofit units that are currently obsolete or unmarketable.''.

SEC. 845. COMMERCIAL ACTIVITIES.

Section 811(h)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(h)(1)) is amended by adding at the end the following: ''Neither this section nor any other provision of law may be construed as prohibiting or preventing the location and operation, in a project assisted under this section, of commercial facilities for the benefit of residents of the project and the community in which the project is located, except that assistance made available under this section may not be used to subsidize any such commercial facility.''.

PART 3—OTHER PROVISIONS

SEC. 851. SERVICE COORDINATORS.

(a) INCREASED FLEXIBILITY FOR USE OF SERVICE COORDINATORS IN CERTAIN FEDERALLY ASSISTED HOUSING.—Section 676 of the Housing and Community Development Act of 1992 (42 U.S.C. 13632) is amended—

(1) in the section heading, by striking ''**MULTIFAMILY HOUSING ASSISTED UNDER NATIONAL HOUSING ACT**'' and inserting ''**CERTAIN FEDERALLY ASSISTED HOUSING**'';

(2) in subsection (a)—

(A) in the first sentence, by striking ''(E) and (F)'' and inserting ''(B), (C), (D), (E), (F), and (G)''; and

(B) in the last sentence—

(i) by striking ''section 661'' and inserting ''section 671''; and

(ii) by adding at the end the following: ''A service coordinator funded with a grant under this section for a project may provide services to low-income elderly or disabled families living in the vicinity of such project.'';

(3) in subsection (d)—

(A) by striking ''(E) or (F)'' and inserting ''(B), (C), (D), (E), (F), or (G)''; and

(B) by striking ''section 661'' and inserting ''section 671''; and

(4) by striking subsection (c) and redesignating subsection (d) (as amended by paragraph (3) of this subsection) as subsection (c).

(b) REQUIREMENT TO PROVIDE SERVICE COORDINATORS.—Section 671 of the Housing and Community Development Act of 1992 (42 U.S.C. 13631) is amended—

(1) in the first sentence of subsection (a), by striking ''to carry out this subtitle pursuant to the amendments made by this subtitle'' and inserting the following: ''for providing service coordinators under this section'';

(2) in subsection (d), by inserting '')'' after ''section 683(2)''; and

(3) by adding at the end following:

''(e) SERVICES FOR LOW-INCOME ELDERLY OR DISABLED FAMILIES RESIDING IN VICINITY OF CERTAIN PROJECTS.—To the extent only that this section applies to service coordinators for covered federally assisted housing described in subparagraphs (B), (C), (D), (E), (F), and (G) of section 683(2), any reference in this section to elderly or disabled residents of a project shall be construed to include low-income elderly or disabled families living in the vicinity of such project.''.

(c) PROTECTION AGAINST TELEMARKETING FRAUD.—

(1) SUPPORTIVE HOUSING FOR THE ELDERLY.—The first sentence of section 202(g)(1) of the Housing Act of 1959 (12 U.S.C. 1701q(g)(1)) is amended by striking ''and (F)'' and inserting the following: ''(F) providing education and outreach regarding telemarketing fraud, in accordance with the standards issued under section 671(f) of the Housing and Community Development Act of 1992 (42 U.S.C. 13631(f)); and (G)''.

(2) OTHER FEDERALLY ASSISTED HOUSING.—Section 671 of the Housing and Community Development Act of 1992 (42 U.S.C. 13631), as amended by subsection (b) of this section, is further amended—

(A) in the first sentence of subsection (c), by inserting after ''response,'' the following: ''education and outreach regarding telemarketing fraud in accordance with the standards issued under subsection (f),''; and

(B) by adding at the end the following:

''(f) PROTECTION AGAINST TELEMARKETING FRAUD.—

''(1) IN GENERAL.—The Secretary, in coordination with the Secretary of Health and Human Services, shall establish standards for service coordinators in federally assisted housing who are providing education and outreach to elderly persons residing in such housing regarding telemarketing fraud. The standards shall be designed to ensure that such education and outreach informs such elderly persons of the dangers of telemarketing fraud and facilitates the investigation and prosecution of telemarketers engaging in fraud against such residents.

''(2) CONTENTS.—The standards established under this subsection shall require that any such education and outreach be provided in a manner that—

''(A) informs such residents of—

''(i) the prevalence of telemarketing fraud targeted against elderly persons;

''(ii) how telemarketing fraud works;

''(iii) how to identify telemarketing fraud;

''(iv) how to protect themselves against telemarketing fraud, including an explanation of the dangers of providing bank account, credit card, or other financial or personal information over the telephone to unsolicited callers;

''(v) how to report suspected attempts at telemarketing fraud; and

''(vi) their consumer protection rights under Federal law;

''(B) provides such other information as the Secretary considers necessary to protect such residents against fraudulent telemarketing; and

''(C) disseminates the information provided by appropriate means, and in determining such appropriate means, the Secretary shall consider on-site presentations at federally assisted housing, public service announcements, a printed manual or pamphlet, an Internet website, and telephone outreach to residents whose names appear on 'mooch lists' confiscated from fraudulent telemarketers.''.

Subtitle D—Preservation of Affordable Housing Stock

SEC. 861. SECTION 236 ASSISTANCE.

(a) EXTENSION OF AUTHORITY TO RETAIN EXCESS CHARGES.—Section 236(g) of the National Housing Act (12 U.S.C. 1715z–1(g)), as amended by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, is amended—

(1) in paragraph (2), by striking ''Subject to paragraph (3) and notwithstanding'' and inserting ''Notwithstanding''; and

(2) by striking paragraph (3) and redesignating paragraph (4) as paragraph (3).

(b) TREATMENT OF EXCESS CHARGES PREVIOUSLY COLLECTED.—Any excess charges that a project owner may retain pursuant to the amendments made by subsections (b) and (c) of section 532 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 (Public Law 106–74; 113 Stat. 1116) that have been collected by such owner since the date of the enactment of such Appropriations Act and that such owner has not remitted to the Secretary of Housing and Urban Development may be retained by such owner unless such Secretary otherwise provides. To the extent that a project owner has remitted such excess charges to the Secretary since such date of enactment, the Secretary may return to the relevant project owner any such excess charges remitted. Notwithstanding any other provision of law, amounts in the Rental Housing Assistance Fund, or heretofore or subsequently transferred from the Rental Housing Assistance Fund to the Flexible Subsidy Fund, shall be available to make such return of excess charges previously remitted to the Secretary, including the return of excess charges referred to in section 532(e) of such Appropriations Act.

Subtitle E—Mortgage Insurance for Health Care Facilities

SEC. 871. REHABILITATION OF EXISTING HOSPITALS, NURSING HOMES, AND OTHER FACILITIES.

Section 223(f) of the National Housing Act (12 U.S.C. 1715n(f)) is amended—

(1) in paragraph (1)—

(A) by striking ''the refinancing of existing debt of an''; and

(B) by inserting ''existing integrated service facility,'' after ''existing board and care home,'';

(2) in paragraph (4)—

(A) by inserting ''existing integrated service facility,'' after ''board and care home,'' each place it appears;

(B) in subparagraph (A), by inserting before the semicolon at the end the following: '', which refinancing, in the case of a loan on a hospital, home, or facility that is within 2 years of maturity, shall include a mortgage made to prepay such loan'';

(C) in subparagraph (B), by inserting after ''indebtedness'' the following: '', pay any other costs including repairs, maintenance, minor improvements, or additional equipment which may be approved by the Secretary,''; and

(D) in subparagraph (D)—

(i) by inserting ''existing'' before ''intermediate care facility''; and

(ii) by inserting ''existing'' before ''board and care home''; and

(3) by adding at the end the following:

''(6) In the case of purchase of an existing hospital (or existing nursing home, existing assisted living facility, existing intermediate care facility, existing board and care home, existing integrated service facility or any combination thereof) the Secretary shall prescribe such terms and conditions as the Secretary deems necessary to assure that—

''(A) the proceeds of the insured mortgage loan will be employed only for the purchase

of the existing hospital (or existing nursing home, existing assisted living facility, existing intermediate care facility, existing board and care home, existing integrated service facility or any combination thereof) including the retirement of existing debt (if any), necessary costs associated with the purchase and the insured mortgage financing, and such other costs, including costs of repairs, maintenance, improvements, and additional equipment, as may be approved by the Secretary;

''(B) such existing hospital (or existing nursing home, existing assisted living facility, existing intermediate care facility, existing board and care home, existing integrated service facility, or any combination thereof) is economically viable; and

''(C) the applicable requirements for certificates, studies, and statements of section 232 (for the existing nursing home, existing assisted living facility, intermediate care facility, board and care home, existing integrated service facility or any combination thereof, proposed to be purchased) or of section 242 (for the existing hospital proposed to be purchased) have been met.''.

SEC. 872. NEW INTEGRATED SERVICE FACILITIES.

Section 232 of the National Housing Act (12 U.S.C. 1715w) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''are not acutely ill and'';

(B) in paragraph (2), by striking ''nevertheless''; and

(C) by adding at the end the following:

''(4) The development of integrated service facilities for the care and treatment of the elderly and other persons in need of health care and related services, but who do not require hospital care, and the support of health care facilities which provide such health care and related services (including those that support hospitals (as defined in section 242(b))).'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''acutely ill and not'';

(B) in paragraph (4), by inserting after the second period the following: ''Such term includes a parity first mortgage or parity first deed of trust, subject to such terms and conditions as the Secretary may provide.'';

(C) in paragraph (6)—

(i) by striking subparagraph (A) and inserting the following:

''(A) meets all applicable licensing and regulatory requirements of the State, or if there is no State law providing for such licensing and regulation by the State, meets all applicable licensing and regulatory requirements of the municipality or other political subdivision in which the facility is located, or, in the absence of any such requirements, meets any underwriting requirements of the Secretary for such purposes;''; and

(ii) in subparagraph (C), by striking ''and'' at the end;

(D) in paragraph (7), by striking the period at the end and inserting ''; and''; and

(E) by adding at the end the following:

''(8) the term 'integrated service facility' means a facility—

''(A) providing integrated health care delivery services designed and operated to provide medical, convalescent, skilled and intermediate nursing, board and care services, assisted living, rehabilitation, custodial, personal care services, or any combination thereof, to sick, injured, disabled, elderly, or infirm persons, or providing services for the prevention of illness, or any combination thereof;

''(B) designed, in whole or in part, to provide a continuum of care, as determined by the Secretary, for the sick, injured, disabled, elderly, or infirm;

''(C) providing clinical services, outpatient services, including community health services and medical practice facilities and group practice facilities, to sick, injured, disabled, elderly, or infirm persons not in need of the services rendered in other facilities insurable under this title, or for the prevention of illness, or any combination thereof; or

''(D)(i) designed, in whole or in part to provide supportive or ancillary services to hospitals (as defined in section 242(b)), which services may include services provided by special use health care facilities, professional office buildings, laboratories, administrative offices, and other facilities supportive or ancillary to health care delivery by such hospitals; and

''(ii) that meet standards acceptable to the Secretary, which may include standards governing licensure or State or local approval and regulation of a mortgagor; or

''(E) that provides any combination of the services under subparagraphs (A) through (D).'';

(3) in subsection (d)—

(A) in the matter preceding paragraph (1)—

(i) by inserting ''board and care home,'' after ''rehabilitated nursing home,'';

(ii) by inserting ''integrated service facility,'' after ''assisted living facility,'' the first 2 places it appears;

(iii) by inserting ''board and care home,'' after ''existing nursing home,''; and

(iv) by striking ''or a board and care home'' and inserting '', board and care home or integrated service facility'';

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by inserting before '', including'' the following: ''or a public body, public agency, or public corporation eligible under this section''; and

(ii) in subparagraph (B), by striking ''energy conservation measures'' and all that follows through ''95–619)'' and inserting ''energy conserving improvements (as defined in section 2(a))''.

(C) in paragraph (4)(A)—

(i) in the first sentence—

(I) by inserting '', and integrated service facilities that include such nursing home and intermediate care facilities,'' before '', the Secretary'';

(II) by striking ''or section 1521 of the Public Health Service Act'' and inserting ''of the Public Health Service Act, or other applicable Federal law (or, in the absence of applicable Federal law, by the Secretary),'';

(III) by inserting '', or the portion of an integrated service facility providing such services,'' before ''covered by the mortgage,''; and

(IV) by inserting ''or for such nursing or intermediate care services within an integrated service facility'' before '', and (ii)'';

(ii) in the second sentence, by inserting ''(which may be within an integrated service facility)'' after ''home and facility'';

(iii) in the third sentence—

(I) by striking ''mortgage under this section'' and all that follows through ''feasibility'' and inserting the following: ''such mortgage under this section unless (i) the proposed mortgagor or applicant for the mortgage insurance for the home or facility or combined home or facility, or the integrated service facility containing such services, has commissioned and paid for the preparation of an independent study of market need for the project'';

(II) in clause (i)(II), by striking ''and its relationship to, other health care facilities and'' and inserting ''or such facilities within an integrated service facility, and its relationship to, other facilities providing health care'';

(III) in clause (i)(IV), by striking ''in the event the State does not prepare the study,''; and

(IV) in clause (i)(IV), by striking ''the State or''; and

(V) in clause (ii), by striking ''or section 1521 of the Public Health Service Act'' and inserting ''of the Public Health Service Act, or other applicable Federal law (or, in the absence of applicable Federal law, by the Secretary),'';

(iv) by striking the penultimate sentence and inserting the following: ''A study commissioned or undertaken by the State in which the facility will be located shall be considered to satisfy such market study requirement. The proposed mortgagor or applicant may reimburse the State for the cost of an independent study referred to in the preceding sentence.''; and

(v) in the last sentence—

(I) by inserting ''the proposed mortgagor or applicant for mortgage insurance may obtain from'' after ''10 individuals,'';

(II) by striking ''may'' and inserting ''and''; and

(III) by inserting a comma before ''written support''; and

(D) in paragraph (4)(C)(iii), by striking ''the appropriate State'' and inserting ''any appropriate''; and

(4) in subsection (i)(1), by inserting ''integrated service facilities,'' after ''assisted living facilities,''.

SEC. 873. HOSPITALS AND HOSPITAL-BASED INTEGRATED SERVICE FACILITIES.

Section 242 of the National Housing Act (12 U.S.C. 1715z–7) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A), by adding ''and'' at the end;

(ii) by striking subparagraph (B); and

(iii) by redesignating subparagraph (C) as subparagraph (B) and striking ''and'' at the end;

(B) in paragraph (2), by striking ''respectfully'' and all that follows through the period at the end and inserting ''given such terms in section 207(a), except that the term 'mortgage' shall include a parity first mortgage or parity first deed of trust, subject to such terms and conditions as the Secretary may provide; and''; and

(C) by adding at the end the following:

''(3) the term 'integrated service facility' has the meaning given the term in section 232(b).'';

(2) in subsection (c), by striking ''title VII of'' and inserting ''title VI of'';

(3) in subsection (d)—

(A) in the matter preceding paragraph (1), by inserting after ''operation,'' the following: ''or that covers an integrated service facility owned or to be owned by an applicant or proposed mortgagor that also owns a hospital in the same market area, including equipment to be used in its operation,'';

(B) in paragraph (1)—

(i) in the first sentence, by inserting before the period at the end the following: ''and who, in the case of a mortgage covering an integrated service facility, is also the owner of a hospital facility''; and

(ii) by adding at the end the following: ''A mortgage insured hereunder covering an integrated service facility may only cover the real and personal property where the eligible facility will be located.'';

(C) in paragraph (2)(A), by inserting ''or integrated service facility'' before the comma; and

(D) in paragraph (2)(B), by striking ''energy conservation measures'' and all that follows through ''95–619)'' and inserting ''energy conserving improvements (as defined in section 2(a))'';

(E) in paragraph (4)—

(i) in the first sentence—

(I) by inserting ''for a hospital'' after ''any mortgage''; and

(II) by striking ''or section 1521 of the Public Health Service Act'' and inserting ''of the Public Health Service Act, or other applicable Federal law (or, in the absence of applicable Federal law, by the Secretary),'';

(ii) by striking the third sentence and inserting the following: ''If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the hospital as set forth in subparagraph (A) of the first sentence, the Secretary shall not insure any such mortgage under this section unless: (A) the proposed mortgagor or applicant for the hospital has commissioned and paid for the preparation of an independent study of market need for the proposed project that: (i) is prepared in accordance with the principles established by the Secretary, in consultation with the Secretary of Health and Human Services (to the extent the Secretary of Housing and Urban Development considers appropriate); (ii) assesses, on a marketwide basis, the impact of the proposed hospital on, and its relationship to, other facilities providing health care services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the hospital; (iii) is addressed to and is acceptable to the Secretary in form and substance; and (iv) is prepared by a financial consultant selected by the proposed mortgagor or applicant and approved by the Secretary; and (B) the State complies with the other provisions of this paragraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) of the Public Health Service Act, or other applicable Federal law (or, in the absence of applicable Federal law, by the Secretary). A study commissioned or undertaken by the State in which the hospital will be located shall be considered to satisfy such market study requirement.''; and

(iii) in the last sentence, by striking ''feasibility''; and

(4) in subsection (f), by inserting ''and public integrated service facilities'' after ''public hospitals''.

TITLE IX—OTHER RELATED HOUSING PROVISIONS

SEC. 901. EXTENSION OF LOAN TERM FOR MANUFACTURED HOME LOTS.

Section 2(b)(3)(E) of the National Housing Act (12 U.S.C. 1703(b)(3)(E)) is amended by striking ''fifteen'' and inserting ''twenty''.

SEC. 902. USE OF SECTION 8 VOUCHERS FOR OPT-OUTS.

(a) IN GENERAL.—Section 8(t)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)(2)), as amended by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, is amended by striking ''fiscal year 1996'' and inserting ''fiscal year 1994''.

(b) EFFECTIVE DATE.—The amendment under subsection (a) shall be made and shall apply—

(1) upon the enactment of this Act, if the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, is enacted before the enactment of this Act; and

(2) immediately after the enactment of such appropriations Act, if such appropriations Act is enacted after the enactment of this Act.

SEC. 903. MAXIMUM PAYMENT STANDARD FOR ENHANCED VOUCHERS.

(a) IN GENERAL.—Section 8(t)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)(1)(B)), as amended by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, is amended by inserting before the semicolon at the end the following: '', except that a limit shall not be considered reasonable for purposes of this subparagraph if it adversely affects such assisted families''.

(b) EFFECTIVE DATE.—The amendment under subsection (a) shall be made and shall apply—

(1) upon the enactment of this Act, if the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, is enacted before the enactment of this Act; and

(2) immediately after the enactment of such appropriations Act, if such appropriations Act is enacted after the enactment of this Act.

SEC. 904. USE OF SECTION 8 ASSISTANCE BY ''GRAND-FAMILIES'' TO RENT DWELLING UNITS IN ASSISTED PROJECTS.

Section 215(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(a)) is amended by adding at the end the following new paragraph:

''(6) WAIVER OF QUALIFYING RENT.—

''(A) IN GENERAL.—For the purpose of providing affordable housing appropriate for families described in subparagraph (B), the Secretary may, upon the application of the project owner, waive the applicability of subparagraph (A) of paragraph (1) with respect to a dwelling unit if—

''(i) the unit is occupied by such a family, on whose behalf tenant-based assistance is provided under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f);

''(ii) the rent for the unit is not greater than the existing fair market rent for comparable units in the area, as established by the Secretary under section 8 of the United States Housing Act of 1937; and

''(iii) the Secretary determines that the waiver, together with waivers under this paragraph for other dwelling units in the project, will result in the use of amounts described in clause (iii) in an effective manner that will improve the provision of affordable housing for such families.

''(B) ELIGIBLE FAMILIES.—A family described in this subparagraph is a family that consists of at least one elderly person (who is the head of household) and one or more of such person's grand children, great grandchildren, great nieces, great nephews, or great great grandchildren (as defined by the Secretary), but does not include any parent of such grandchildren, great grandchildren, great nieces, great nephews, or great great grandchildren. Such term includes any such grandchildren, great grandchildren, great nieces, great nephews, or great great grandchildren who have been legally adopted by such elderly person.''.

TITLE X—BANKING AND HOUSING AGENCY REPORTS

SEC. 1001. SHORT TITLE.

This title may be cited as the ''Federal Reporting Act of 2000''.

SEC. 1002. AMENDMENTS TO THE FEDERAL RESERVE ACT.

(a) REPEAL.—Section 2A of the Federal Reserve Act (12 U.S.C. 225a) is amended by striking all after the first sentence.

(b) APPEARANCES BEFORE AND REPORTS TO THE CONGRESS.—

(1) IN GENERAL.—The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 2A the following new section:

''SEC. 2B. APPEARANCES BEFORE AND REPORTS TO THE CONGRESS.

''(a) APPEARANCES BEFORE THE CONGRESS.—

(1) IN GENERAL.—The Chairman of the Board shall appear before the Congress at semi-annual hearings, as specified in paragraph (2), regarding—

''(A) the efforts, activities, objectives and plans of the Board and the Federal Open Market Committee with respect to the conduct of monetary policy; and

''(B) economic developments and prospects for the future described in the report required in subsection (b).

''(2) SCHEDULE.—The Chairman of the Board shall appear—

''(A) before the Committee on Banking and Financial Services of the House of Representatives on or about February 20 of even numbered calendar years and on or about July 20 of odd numbered calendar years;

''(B) before the Committee on Banking, Housing, and Urban Affairs of the Senate on or about July 20 of even numbered calendar years and on or about February 20 of odd numbered calendar years; and

''(C) before either Committee referred to in subparagraph (A) or (B), upon request, following the scheduled appearance of the Chairman before the other Committee under subparagraph (A) or (B).

''(b) CONGRESSIONAL REPORT.—The Board shall, concurrent with each semi-annual hearing required by this section, submit a written report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives, containing a discussion of the conduct of monetary policy and economic developments and prospects for the future, taking into account past and prospective developments in employment, unemployment, production, investment, real income, productivity, exchange rates, international trade and payments, and prices.''.

SEC. 1003. PRESERVATION OF CERTAIN REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) shall not apply to any report required to be submitted under any of the following provisions of law:

(1) Section 3 of the Employment Act of 1946 (15 U.S.C. 1022).

(2) Section 309 of the Defense Production Act of 1950 (50 U.S.C. App. 2099).

(3) Section 603 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3213).

(4) Section 7(o)(1) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(o)(1)).

(5) Section 540(c) of the National Housing Act (12 U.S.C. 1735f–18(c)).

(6) Paragraphs (2) and (6) of section 808(e) of the Civil Rights Act of 1968 (42 U.S.C. 3608(e)).

(7) Section 1061 of the Housing and Community Development Act of 1992 (42 U.S.C. 4856).

(8) Section 203(v) of the National Housing Act (12 U.S.C. 1709(v)), as added by section 504 of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 Stat. 3780).

(9) Section 802 of the Housing Act of 1954 (12 U.S.C. 1701o).

(10) Section 8 of the Department of Housing and Urban Development Act (42 U.S.C. 3536).

(11) Section 1320 of the National Flood Insurance Act of 1968 (42 U.S.C. 4027).

(12) Section 4(e)(2) of the Department of Housing and Urban Development Act (42 U.S.C. 3533(e)(2).

(13) Section 205(g) of the National Housing Act (12 U.S.C. 1711(g)).

(14) Section 701(c)(1) of the International Financial Institutions Act (22 U.S.C. 262d(c)(1)).

(15) Paragraphs (1) and (2) of section 5302(c) of title 31, United States Code.

(16) Section 18(f)(7) of the Federal Trade Commission Act. (15 U.S.C. 57a(f)(7)).

(17) Section 333 of the Revised Statutes of the United States (12 U.S.C. 14).

(18) Section 3(g) of the Home Owners' Loan Act (12 U.S.C. 1462a(g)).

(19) Section 304 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 304).

(20) Sections 2(b)(1)(A), 8(a), 8(c), 10(g)(1), and 11(c) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)(A), 635g(a), 635g(c), 635i–3(g), and 635i–5(c)).

(21) Section 17(a) of the Federal Deposit Insurance Act (12 U.S.C. 1827(a)).

(22) Section 13 of the Federal Financing Bank Act of 1973 (12 U.S.C. 2292).

(23) Section 2B(d) of the Federal Home Loan Bank Act (12 U.S.C. 1422b(d)).

(24) Section 1002(b) of Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note).

(25) Section 8 of the Fair Credit and Charge Card Disclosure Act of 1988 (15 U.S.C. 1637 note).

(26) Section 136(b)(4)(B) of the Truth in Lending Act (15 U.S.C. 1646(b)(4)(B)).

(27) Section 707 of the Equal Credit Opportunity Act (15 U.S.C. 1691f).

(28) Section 114 of the Truth in Lending Act (15 U.S.C. 1613).

(29) The seventh undesignated paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 247).

(30) The tenth undesignated paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 247a).

(31) Section 815 of the Fair Debt Collection Practices Act (15 U.S.C. 1692m).

(32) Section 102(d) of the Federal Credit Union Act (12 U.S.C. 1752a(d)).

(33) Section 21B(i) of the Federal Home Loan Bank Act (12 U.S.C. 1441b(i)).

(34) Section 607(a) of the Housing and Community Development Amendments of 1978 (42 U.S.C. 8106(a)).

(35) Section 708(l) of the Defense Production Act of 1950 (50 U.S.C. Ap. 2158(l)).

(36) Section 2546 of the Comprehensive Thrift and Bank Fraud Prosecution and Taxpayer Recovery Act of 1990 (28 U.S.C. 522 note).

(37) Section 202(b)(8) of the National Housing Act (12 U.S.C. 1708(b)(8)).

SEC. 1004. COORDINATION OF REPORTING REQUIREMENTS.

(a) FEDERAL DEPOSIT INSURANCE CORPORATION.—Section 17(a) of the Federal Deposit Insurance Act (12 U.S.C. 1827(a)) is amended by adding at the end the following new paragraph:

''(3) COORDINATION WITH OTHER REPORT REQUIREMENTS.—The report required under this subsection shall include the report required under section 18(f)(7) of the Federal Trade Commission Act.''.

(b) BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.—The 7th undesignated paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 247) is amended by adding at the end the following new sentence: ''The report required under this paragraph shall include the reports required under section 707 of the Equal Credit Opportunity Act, section 18(f)(7) of the Federal Trade Commission Act, section 114 of the Truth in Lending Act, and the 10th undesignated paragraph of this section.''.

(c) COMPTROLLER OF THE CURRENCY.—Section 333 of the Revised Statutes of the United States (12 U.S.C. 14) is amended by adding at the end the following new sentence: ''The report required under this section shall include the report required under section 18(f)(7) of the Federal Trade Commission Act.''.

(d) EXPORT-IMPORT BANK.—

(1) IN GENERAL.— Section 2(b)(1)(A) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)(A)) is amended—

(A) by striking ''a annual'' and inserting ''an annual''; and

(B) by adding at the end the following new sentence: ''The annual report required under this subparagraph shall include the report required under section 10(g).''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 10(g)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635i–3(g)(1)) is amended—

(A) by striking ''On or'' and all that follows through ''the Bank'' and inserting ''The Bank''; and

(B) by striking ''a report'' and inserting ''an annual report''.

(e) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—Section 8 of the Department of Housing and Urban Development Act (42 U.S.C. 3536) is amended by adding at the end the following new sentence: ''The report required under this section shall include the reports required under paragraphs (2) and (6) of section 808(e) of the Civil Rights Act of 1968, the reports required under subsections (a) and (b) of section 1061 of the Housing and Community Development Act of 1992, the report required under section 802 of the Housing Act of 1954, and the report required under section 4(e)(2) of this Act.''.

(f) FEDERAL HOUSING ADMINISTRATION.—Section 203(v) of the National Housing Act (12 U.S.C. 1709(v)), as added by section 504 of the Housing and Community Development Act of 1992, is amended by adding at the end the following new sentence:

''The report required under this subsection shall include the report required under section 540(c) and the report required under section 205(g).''.

(g) INTERNATIONAL FINANCIAL INSTITUTIONS ACT.—Section 701(c)(1) of the International Financial Institutions Act (22 U.S.C. 262d(c)(1)) is amended by striking ''Not later'' and all that follows through ''quarterly'' and inserting ''The Secretary of the Treasury shall report annually''.

SEC. 1005. ELIMINATION OF CERTAIN REPORTING REQUIREMENTS.

(a) EXPORT-IMPORT BANK.—The Export-Import Bank Act of 1945 (12 U.S.C. 635 et seq.) is amended—

(1) in section 2(b)(1)(D)—

(A) by striking ''(i)''; and

(B) by striking clause (ii);

(2) in section 2(b)(8), by striking the last sentence;

(3) in section 6(b), by striking paragraph (2) and redesignating paragraph (3) as paragraph (2); and

(4) in section 8, by striking subsections (b) and (d) and redesignating subsections (c) and (e) as subsections (b) and (c), respectively.

(b) FEDERAL DEPOSIT INSURANCE CORPORATION.—Section 17 of the Federal Deposit Insurance Act (12 U.S.C. 1827) is amended by striking subsection (h).

TITLE XI—NUMISMATIC COINS

SEC. 1101. SHORT TITLE.

This title may be cited as the ''United States Mint Numismatic Coin Clarification Act of 2000''.

SEC. 1102. CLARIFICATION OF MINT'S AUTHORITY.

(a) SILVER PROOF COINS.—Section 5132(a)(2)(B)(i) of title 31, United States Code, is amended by striking ''paragraphs (1)'' and inserting ''paragraphs (2)''.

(b) PLATINUM COINS.—Section 5112(k) of title 31, United States Code, is amended by striking ''bullion'' and inserting ''platinum bullion coins''.

SEC. 1103. ADDITIONAL REPORT REQUIREMENT.

Section 5134(e)(2) of title 31, United States Code, is amended—

(1) in the matter preceding subparagraph (A), by striking ''reflect'' and inserting ''contain'';

(2) by striking ''and'' at the end of subparagraph (C);

(3) by striking the period at the end of subparagraph (D) and inserting ''; and''; and

(4) by adding at the end the following new subparagraph:

''(E) a supplemental schedule detailing—

''(i) the costs and expenses for the production, for the marketing, and for the distribution of each denomination of circulating coins produced by the Mint during the fiscal year and the per-unit cost of producing, of marketing, and of distributing each denomination of such coins; and

''(ii) the gross revenue derived from the sales of each such denomination of coins.''.

TITLE XII—FINANCIAL REGULATORY RELIEF

SEC. 1200. SHORT TITLE.

This title may be cited as the ''Financial Regulatory Relief and Economic Efficiency Act of 2000''.

Subtitle A—Improving Monetary Policy and Financial Institution Management Practices

SEC. 1201. REPEAL OF SAVINGS ASSOCIATION LIQUIDITY PROVISION.

(a) REPEAL OF LIQUIDITY PROVISION.—Section 6 of the Home Owners' Loan Act (12 U.S.C. 1465) is repealed.

(b) CONFORMING AMENDMENTS.—

(1) SECTION 5.—Section 5(c)(1)(M) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(1)(M)) is amended to read as follows:

''(M) LIQUIDITY INVESTMENTS.—Investments (other than equity investments), identified by the Director, for liquidity purposes, including cash, funds on deposit at a Federal reserve bank or a Federal home loan bank, or bankers' acceptances.''.

(2) SECTION 10.—Section 10(m)(4)(B)(iii) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(B)(iii)) is amended by inserting ''as in effect on the day before the date of the enactment of the Financial Regulatory Relief and Economic Efficiency Act of 2000, after ''Loan Act,''.

SEC. 1202. NONCONTROLLING INVESTMENTS BY SAVINGS ASSOCIATION HOLDING COMPANIES.

Section 10(e)(1)(A)(iii) of the Home Owners' Loan Act (12 U.S.C. 1467a(e)(1)(A)(iii)) is amended—

(1) by inserting '', except with the prior written approval of the Director,'' after ''or to retain''; and

(2) by striking ''so acquire or retain'' and inserting ''acquire or retain, and the Director may not authorize acquisition or retention of,''.

SEC. 1203. REPEAL OF DEPOSIT BROKER NOTIFICATION AND RECORDKEEPING REQUIREMENT.

Section 29A of the Federal Deposit Insurance Act (12 U.S.C. 1831f–1) is hereby repealed.

SEC. 1204. EXPEDITED PROCEDURES FOR CERTAIN REORGANIZATIONS.

The National Bank Consolidation and Merger Act (12 U.S.C. 215 et seq.) is amended—

(1) by redesignating section 5 as section 7; and

(2) by inserting after section 4 the following new section:

''SEC. 5. EXPEDITED PROCEDURES FOR CERTAIN REORGANIZATIONS.

''(a) IN GENERAL.—A national banking association may, with the approval of the Comptroller, pursuant to rules and regulations promulgated by the Comptroller, and upon the affirmative vote of the shareholders of such association owning at least two-thirds of its capital stock outstanding, reorganize so as to become a subsidiary of a bank holding company or of a company that will, upon consummation of such reorganization, become a bank holding company.

''(b) REORGANIZATION PLAN.—A reorganization authorized under subsection (a) shall be carried out in accordance with a reorganization plan that—

''(1) specifies the manner in which the reorganization shall be carried out;

''(2) is approved by a majority of the entire board of directors of the association;

''(3) specifies—

''(A) the amount of cash or securities of the bank holding company, or both, or other consideration to be paid to the shareholders of the reorganizing association in exchange for their shares of stock of the association;

''(B) the date as of which the rights of each shareholder to participate in such exchange will be determined; and

''(C) the manner in which the exchange will be carried out; and

''(4) is submitted to the shareholders of the reorganizing association at a meeting to be held on the call of the directors in accordance with the procedures prescribed in connection with a merger of a national bank under section 3.

''(c) RIGHTS OF DISSENTING SHAREHOLDERS.—If, pursuant to this section, a reorganization plan has been approved by the shareholders and the Comptroller, any shareholder of the association who has voted against the reorganization at the meeting referred to in subsection (b)(4), or has given notice in writing at or prior to that meeting to the presiding officer that the shareholder dissents from the reorganization plan, shall be entitled to receive the value of his or her shares, as provided by section 3 for the merger of a national bank.

''(d) EFFECT OF REORGANIZATION.—The corporate existence of an association that reorganizes in accordance with this section shall not be deemed to have been affected in any way by reason of such reorganization.

''(e) APPROVAL UNDER THE BANK HOLDING COMPANY ACT.—This section does not affect in any way the applicability of the Bank Holding Company Act of 1956 to a transaction described in subsection (a).''.

SEC. 1205. NATIONAL BANK DIRECTORS.

(a) AMENDMENTS TO THE REVISED STATUTES.—Section 5145 of the Revised Statutes of the United States (12 U.S.C. 71) is amended—

(1) by striking ''for one year'' and inserting ''for a period of not more than 3 years''; and

(2) by adding at the end the following: ''In accordance with regulations issued by the Comptroller of the Currency, an association may adopt bylaws that provide for staggering the terms of its directors.''.

(b) AMENDMENT TO THE BANKING ACT OF 1933.—Section 31 of the Banking Act of 1933 (12 U.S.C. 71a) is amended in the first sentence, by inserting before the period '', except that the Comptroller of the Currency may, by regulation or order, exempt a national banking association from the 25-member limit established by this section''.

SEC. 1206. AMENDMENT TO NATIONAL BANK CONSOLIDATION AND MERGER ACT.

The National Bank Consolidation and Merger Act (12 U.S.C. 215 et seq.) is amended by inserting after section 5, as added by this title, the following new section:

''SEC. 6. MERGERS AND CONSOLIDATIONS WITH SUBSIDIARIES AND NONBANK AFFILIATES.

''(a) IN GENERAL.—Upon the approval of the Comptroller, a national banking association may merge with 1 or more of its nonbank subsidiaries or affiliates.

''(b) SCOPE.—Nothing in this section shall be construed—

''(1) to affect the applicability of section 18(c) of the Federal Deposit Insurance Act; or

''(2) to grant a national banking association any power or authority that is not permissible for a national banking association under other applicable provisions of law.

''(c) REGULATIONS.—The Comptroller shall promulgate regulations to implement this section.''.

SEC. 1207. LOANS ON OR PURCHASES BY INSTITUTIONS OF THEIR OWN STOCK; AFFILIATIONS.

(a) AMENDMENT TO THE REVISED STATUTES.—Section 5201 of the Revised Statutes of the United States (12 U.S.C. 83) is amended to read as follows:

''SEC. 5201. LOANS BY BANK ON ITS OWN STOCK.

''(a) GENERAL PROHIBITION.—No national banking association shall make any loan or discount on the security of the shares of its own capital stock.

''(b) EXCLUSION.—For purposes of this section, an association shall not be deemed to be making a loan or discount on the security of the shares of its own capital stock if it acquires the stock to prevent loss upon a debt previously contracted for in good faith.''.

(b) AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended—

(1) by redesignating subsection (t), as added by section 730 of the Gramm-Leach-Bliley Act (Public Law 106–102; 113 Stat. 1476), as subsection (u); and

(2) by adding at the end the following new subsection:

''(v) LOANS BY INSURED INSTITUTIONS ON THEIR OWN STOCK.—

''(1) GENERAL PROHIBITION.—No insured depository institution may make any loan or discount on the security of the shares of its own capital stock.

''(2) EXCLUSION.—For purposes of this subsection, an insured depository institution shall not be deemed to be making a loan or discount on the security of the shares of its own capital stock if it acquires the stock to prevent loss upon a debt previously contracted for in good faith.''.

SEC. 1208. PURCHASED MORTGAGE SERVICING RIGHTS.

Section 475 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1828 note) is amended—

(1) in subsection (a)(1), by inserting ''(or such other percentage exceeding 90 percent but not exceeding 100 percent, as may be determined under subsection (b))'' after ''90 percent'';

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

''(b) AUTHORITY TO DETERMINE PERCENTAGE BY WHICH TO DISCOUNT VALUE OF SERVICING RIGHTS.—The appropriate Federal banking agencies may allow readily marketable purchased mortgage servicing rights to be valued at more than 90 percent of their fair market value but at not more than 100 percent of such value, if such agencies jointly make a finding that such valuation would not have an adverse effect on the deposit insurance funds or the safety and soundness of insured depository institutions.''; and

(3) in subsection (c), by striking ''and'' and inserting '', 'deposit insurance fund', and''.

Subtitle B—Streamlining Activities of Institutions

SEC. 1211. CALL REPORT SIMPLIFICATION.

(a) MODERNIZATION OF CALL REPORT FILING AND DISCLOSURE SYSTEM.—In order to reduce the administrative requirements pertaining to bank reports of condition, savings association financial reports, and bank holding company consolidated and parent-only financial statements, and to improve the timeliness of such reports and statements, the Federal banking agencies shall—

(1) work jointly to develop a system under which—

(A) insured depository institutions and their affiliates may file such reports and statements electronically; and

(B) the Federal banking agencies may make such reports and statements available to the public electronically; and

(2) not later than 1 year after the date of enactment of this Act, report to the Congress and make recommendations for legislation that would enhance efficiency for filers and users of such reports and statements.

(b) UNIFORM REPORTS AND SIMPLIFICATION OF INSTRUCTIONS.—The Federal banking agencies shall, consistent with the principles of safety and soundness, work jointly—

(1) to adopt a single form for the filing of core information required to be submitted under Federal law to all such agencies in the reports and statements referred to in subsection (a); and

(2) to simplify instructions accompanying such reports and statements and to provide an index to the instructions that is adequate to meet the needs of both filers and users.

(c) REVIEW OF CALL REPORT SCHEDULE.—Each Federal banking agency shall—

(1) review the information required by schedules supplementing the core information referred to in subsection (b); and

(2) eliminate requirements that are not warranted for reasons of safety and soundness or other public purposes.

(d) DEFINITION.—In this section, the term ''Federal banking agency'' has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

Subtitle C—Streamlining Agency Actions

SEC. 1221. ELIMINATION OF DUPLICATIVE DISCLOSURE OF FAIR MARKET VALUE OF ASSETS AND LIABILITIES.

Section 37(a)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1831n(a)(3)) is amended by striking subparagraph (D).

SEC. 1222. PAYMENT OF INTEREST IN RECEIVERSHIPS WITH SURPLUS FUNDS.

Section 11(d)(10) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)(10)) is amended by adding at the end the following new subparagraph:

''(C) RULEMAKING AUTHORITY OF CORPORATION.—The Corporation may prescribe such rules, including definitions of terms, as it deems appropriate to establish a single uniform interest rate for or to make payments of post insolvency interest to creditors holding proven claims against the receivership estates of insured Federal or State depository institutions following satisfaction by the receiver of the principal amount of all creditor claims.''.

SEC. 1223. REPEAL OF REPORTING REQUIREMENT ON DIFFERENCES IN ACCOUNTING STANDARDS.

Section 37(c) of the Federal Deposit Insurance Act (12 U.S.C. 1831n(c)) is amended—

(1) in paragraph (1), by striking ''Each'' and all that follows through ''a report'' and inserting ''The Federal banking agencies shall jointly submit an annual report''; and

(2) by inserting ''any'' before ''such agency'' each place that term appears.

SEC. 1224. AGENCY REVIEW OF COMPETITIVE FACTORS IN BANK MERGER ACT FILINGS.

(a) REPORT REQUIRED.—Section 18(c)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(4)) is amended by striking ''request reports'' and all that follows through the period at the end and inserting the following: ''request a report on the competitive factors involved from the Attorney General. The report shall be furnished not later than 30 calendar days after the date on which it is requested, or not later than 10 calendar days after such date if the requesting agency advises the Attorney General that an emergency exists requiring expeditious action.''.

(b) TIMING OF TRANSACTION.—Section 18(c)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(6)) is amended by striking the third sentence and inserting the following: ''If the agency has advised the Attorney General of the existence of an emergency requiring expeditious action and has requested a report on the competitive factors within 10 days, the transaction may not be consummated before the fifth calendar day after the date of approval by the agency.''.

(c) EVALUATION OF COMPETITIVE EFFECT.—

(1) AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956.—Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended—

(A) by adding at the end the following new paragraph:

''(6) EVALUATION OF COMPETITIVE EFFECT.—The Board may not disapprove of a transaction pursuant to paragraph (1)(B) unless the Board takes into account, to the extent that data are readily available—

''(A) competition from institutions, other than depository institutions (as defined in section 3 of the Federal Deposit Insurance Act), that provide financial services;

''(B) efficiencies and cost savings that the transaction may create;

''(C) deposits of the participants in the transaction that are not derived from the relevant market;

''(D) the capacity of savings associations to make small business loans;

''(E) lending by institutions other than depository institutions to small businesses; and

''(F) such other factors as the Board deems relevant.''; and

(B) in paragraph (1)(B), by striking ''restraint or trade'' and inserting ''restraint of trade''.

(2) AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.—Section 18(c)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(5)) is amended—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting ''(A)'' after ''(5)'';

(C) by striking ''In every case'' and inserting the following:

''(B) In every case under this subsection''; and

(D) by adding at the end the following:

''(C) The responsible agency may not disapprove of a transaction pursuant to subparagraph (A), unless the agency takes into account, to the extent that data are readily available—

''(i) competition from institutions that provide financial services;

''(ii) efficiencies and cost savings that the transaction may create;

''(iii) deposits of the participants in the transaction that are not derived from the relevant markets;

''(iv) the capacity of the institutions to make small business loans;

''(v) lending by institutions other than depository institutions to small businesses; and

''(vi) such other factors as the responsible agency deems relevant.''.

Subtitle D—Miscellaneous

SEC. 1231. FEDERAL RESERVE BOARD BUILDINGS.

The 3rd undesignated paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 243) is amended—

(1) by inserting after the 1st sentence the following new sentence: ''After September 1, 2000, the Board may also use such assessments to acquire, in its own name, a site or building (in addition to the facilities existing on such date) to provide for the performance of the functions of the Board.''; and

(2) in the sentences following the sentence added by the amendment made by paragraph (1) of this section—

(A) by striking ''the site'' and inserting ''any site''; and

(B) by inserting ''or buildings'' after ''building'' each place such term appears.

SEC. 1232. POSITIONS OF BOARD OF GOVERNORS OF FEDERAL RESERVE SYSTEM ON THE EXECUTIVE SCHEDULE.

(a) IN GENERAL.—

(1) POSITIONS AT LEVEL I OF THE EXECUTIVE SCHEDULE.—Section 5312 of title 5, United States Code, is amended by adding at the end the following:

''Chairman, Board of Governors of the Federal Reserve System.''.

(2) POSITIONS AT LEVEL II OF THE EXECUTIVE SCHEDULE.—Section 5313 of title 5, United States Code, is amended—

(A) by striking ''Chairman, Board of Governors of the Federal Reserve System.''; and

(B) by adding at the end the following:

''Members, Board of Governors of the Federal Reserve System.''.

(3) POSITIONS AT LEVEL III OF THE EXECUTIVE SCHEDULE.—Section 5314 of title 5, United States Code, is amended by striking ''Members, Board of Governors of the Federal Reserve System.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the first day of the first pay period for the Chairman and Members of the Board of Governors of the Federal Reserve System beginning on or after the date of enactment of this Act.

SEC. 1233. EXTENSION OF TIME.

Section 6(a)(1) of the Federal Home Loan Bank Act (12 U.S.C. 1426(a)(1)) is amended by striking ''1 year'' and inserting ''18 months''.

Subtitle E—Technical Corrections

SEC. 1241. TECHNICAL CORRECTION RELATING TO DEPOSIT INSURANCE FUNDS.

(a) IN GENERAL.—Section 2707 of the Deposit Insurance Funds Act of 1996 (Public Law 104–208; 110 Stat. 3009–496) is amended—

(1) by striking ''7(b)(2)(C)'' and inserting ''7(b)(2)(E)''; and

(2) by striking '', as redesignated by section 2704(d)(6) of this subtitle''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be deemed to have the same effective date as section 2707 of the Deposit Insurance Funds Act of 1996 (Public Law 104–208; 110 Stat. 3009–496).

SEC. 1242. RULES FOR CONTINUATION OF DEPOSIT INSURANCE FOR MEMBER BANKS CONVERTING CHARTERS.

Section 8(o) of the Federal Deposit Insurance Act (12 U.S.C. 1818(o)) is amended in the second sentence, by striking ''subsection (d) of section 4'' and inserting ''subsection (c) or (d) of section 4''.

SEC. 1243. AMENDMENTS TO THE REVISED STATUTES OF THE UNITED STATES.

(a) WAIVER OF CITIZENSHIP REQUIREMENT FOR NATIONAL BANK DIRECTORS.—Section 5146 of the Revised Statutes of the United States (12 U.S.C. 72) is amended in the first sentence, by inserting before the period '', and waive the requirement of citizenship in the case of not more than a minority of the total number of directors''.

(b) TECHNICAL AMENDMENT TO THE REVISED STATUTES.—Section 329 of the Revised Statutes of the United States (12 U.S.C. 11) is amended by striking ''to be interested in any association issuing national currency under the laws of the United States'' and inserting ''to hold an interest in any national bank''.

(c) REPEAL OF UNNECESSARY CAPITAL AND SURPLUS REQUIREMENT.—Section 5138 of the Revised Statutes of the United States (12 U.S.C. 51) is repealed.

SEC. 1244. CONFORMING CHANGE TO THE INTERNATIONAL BANKING ACT OF 1978.

Section 4(b) of the International Banking Act of 1978 (12 U.S.C. 3102(b)) is amended in the second sentence, by striking paragraph (1) and by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Iowa (Mr. LEACH) and the gentleman from New York (Mr. LAFALCE) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa (Mr. LEACH).

Mr. LEACH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the amendment being offered today, S. 1452, the Manufactured Housing Improvement Act combines a number of important banking and housing proposals that are supported in the House on a bipartisan basis.

With regard to housing, the committee amendment takes from H.R. 1776, the American Homeowners Act, which passed the House by a vote of 417 to 8 on April 6. There are also provisions drawn from H.R. 202, Preserving Affordable Housing for Seniors and Vulnerable Families into the 21st Century, another bipartisan bill designed to help the elderly and disabled with their housing needs which passed the House on September 27 by a strong vote of 405 to 5.

Let me stress that the housing provisions in this bill are a testament to the extraordinary work and thoughtfulness of the gentleman from New York (Mr. LAZIO), who is the chairman of the subcommittee, and reflect substantial bipartisan input from the minority, particularly the gentleman from New York (Mr. LAFALCE) and the gentleman from Massachusetts (Mr. FRANK).

Affordable housing is increasingly out of the reach for many Americans. A strong economy has created a situation where in many parts of the country the price of housing is simply going up faster than income levels.

Secondly, although interest rates are not as high as at other times in our history, an unprecedented differential has nevertheless come into being between inflation and long-term interest rates, making financing of a home purchase extremely difficult.

Today more than 3 million working households spend half their income on housing. Of these, more than 220,000 are educators, police and public safety officers. In many cases, these public servants are precluded, due to high housing costs, from living in the communities they serve.

□ 1715

These are the people who teach our children and protect our homes and families. H.R. 1776, for the first time, creates unique housing opportunities for these working families who have been unable to achieve the dream of owning a home, particularly in the communities in which they serve.

This bill provides access to low-interest rate loans and 1 percent down payments on Federal Housing Administration, FHA, insured mortgages for teachers and public safety officers. We also authorize a pilot program to assist law enforcement officers, including correctional officers, to purchase homes in locally designated high crime areas with no down payment. In this way, we achieve not only a homeownership goal but community development objectives as well.

The provisions included in this bill from H.R. 202 will help the elderly and disabled immensely and facilitate the construction and financing of more facilities for these populations. Included are innovative homeownership programs to empower low-income and disabled recipients of Section 8 housing assistance to apply that assistance towards buying a home.

The bill also contains important provisions modernizing the Federal manufacturing housing regulatory regime, helps Native Americans and Native Hawaiians, and contains many more provisions that will improve our Nation's housing and increase homeownership opportunities.

In legislation, there is never a perfect agreement. The manufactured housing provisions, for example, while neither exactly what the consumers nor industry have advocated, represent a middle ground that both sides can support. Manufactured housing is an important part of America's housing mosaic. Modernizing the reform and regulations governing manufactured housing is long overdue. It is critical to the economy to improve the quality and affordability of such housing in the context of maintaining consumer protection and safety.

With regard to the banking provisions of the bill, the legislation includes several provisions that the House has previously approved this session in separate pieces of legislation, combined with noncontroversial bipartisanly supported elements of the regulatory relief package. Many of these regulatory provisions were contained in H.R. 4364 of the 105th Congress, which the House approved by a voice vote 2 years ago, and were carried over this session in legislation introduced in the House by the gentlewoman from New Jersey (Mrs. ROUKEMA), the distinguished chair of our Subcommittee on Financial Institutions and Consumer Credit, and to her I extend a great debt of gratitude.

In this package, we are also renewing, some with slight changes, reporting requirements by the executive branch and independent regulators in some 45 instances, largely as provided for in legislation passed by the House last year on a voice vote. Included is the semiannual report to Congress and the Federal Reserve Board on the conduct of monetary policy.

While the reports being renewed are deemed important for the oversight work of the Committee on Banking and Financial Services, I know of no more important oversight responsibility of the Congress than the review of the Fed's conducted of monetary policy.

With regard to the Federal Reserve System, there is one other section of the bill that deserves note. This is a section that provides pay parity for Fed Governors and their cabinet and subcabinet counterparts.

Let me conclude by thanking all of those Members and staff on both sides of the House who have participated in putting together this legislation before us today and to thank, in particular, the ranking member, the gentleman from New York (Mr. LAFALCE), who has contributed much to all aspects of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill we are now considering includes not only the Manufactured Housing Improvement Act, largely the House version, but a number of other initiatives that have broad bipartisan support, including other housing proposals; language reauthorizing the Humphrey-Hawkins report and other key consumer and housing reports; and also some technical changes of importance to the United States Mint and to the banking and thrift regulators.

With respect to the housing provisions, this bill includes a number of provisions with bipartisan support that have been pulled together from various homeownership and elderly housing legislation that has previously passed the House but been stymied in the Senate. This bill addresses the challenge of meeting the affordable housing and health care needs of our growing elderly population. In particular, I am pleased that the House is again acting on my initiative to make FHA reverse mortgages more affordable when used to buy long-term care insurance. This provision has recently been enhanced by adding a requirement that any long-term care insurance policy must comply with disclosure, suitability and contingent nonforfeiture requirements recently adopted under the National Association of Insurance Commissioners model regulation in order to qualify for the lower premium.

The bill also includes a number of provisions designed to encourage mixed income, mixed finance elderly housing, and it increases flexibility for federally funded service coordinators and provides more resources to sponsors of existing elderly housing to make needed capital repairs.

I am also pleased to see adoption of a bill I introduced to authorize 1 percent down FHA loans for teachers, policemen, and firemen buying a home in their school district or employing local jurisdiction on a 3-year demonstration basis. This strengthens the ties of our local public servants to their local communities creating an important nexus between where teachers and public safety officials work and where they live.

This bill also represents a balanced resolution of the 3-year efforts to reform our manufactured housing legislation. I would point out that the final product reflects a number of Democrat pro-consumer initiatives. For the first time, we will be establishing a national Federal installation standard and requiring that there be a dispute resolution process in each State to adequately address consumer complaints. With regard to the process of updating our construction and safety standards, we have revised the initial legislation to put HUD back in charge of setting standards and have balanced the consensus committee process and eliminated its strong role in setting enforcement regulations, as proposed in previous drafts of this bill.

The provisions in this bill dealing with manufactured housing regulation reflect some 3 years of discussions and negotiations that, in my opinion, have transformed the legislation from being strongly tilted toward industry to being a balanced approach which includes two

new, critically important proconsumer initiatives.

In April 1998, the majority party in the House introduced manufactured housing legislation with a worthy goal—that of establishing a consensus committee to provide recommendations to HUD to update manufactured housing construction and safety standards—but drafted with an anticonsumer, proindustry slant. Through negotiations over the last 3 years, Democrats have won major concessions to address concerns expressed by AARP and other consumer groups. I would like to briefly compare the original draft to the revised bill before us today.

The original bill failed to address the fact that many states have weak, and in some cases, no installation standards. As a result, even well-built manufactured homes which are incorrectly installed can create health and safety risks, and impose unnecessary costs to a homeowner that must subsequently make repairs. At the urging of Democrats, this bill has been revised to require HUD to develop and impose model installation standards. States that wish to have their own installation standards may continue to do so, as long as they provide protections comparable to the model standards. However, HUD is charged with enforcing the model standards in those states that do not have comparable standards.

In addition, the original bill did not include provisions to address the so-called ''ping pong'' effect, in which consumers have difficulty getting defects repaired, as manufacturers and installers point fingers at each other, each refusing to take responsibility. The revised bill requires states to order correction of defects at no cost to the homeowner.

With regard to the main text of the original bill, the major problem was that it effectively ceded control of both construction and safety standards, as well as enforcement regulations, to an industry-dominated consensus committee. It did this by giving that committee authority to promulgate regulations, which the HUD Secretary could reject or modify only if ''implementation of such standard or regulation would jeopardize public health or safety or is inconsistent with the purposes of this title.''

The revised bill restores HUD control and autonomy over enforcement regulations, limiting the consensus committee role to making recommendations, which HUD can summarily reject. With regard to construction and safety standards, the revised bill removes the provision under which consensus committee recommendations could become effective if HUD took no action on such recommendations within one year.

With regard to the basic purposes of manufactured housing regulation, the original bill replaced the decades old purposes of reducing injuries, property damage, and insurance costs in favor of a mandate ''to promote availability of affordable manufactured homes.'' The revised bill reinstates proconsumer purposes and deletes references to the promotion of industry.

The original bill created a consensus committee whose composition of membership was heavily tilted towards industry. Moreover, members would have been appointed by a private administering organization, with almost no HUD veto power over such appointments. In contrast, the revised bill provides for a balanced committee, with one third of the members to be from industry, one third from consumer organizations, and one third from a public interest category. Moreover, the revised bill gives HUD final authority over the appointment of individual members.

Finally, unlike the original bill, the revised bill directs the HUD Secretary to furnish technical support to consumer representatives on the consensus committee, upon a showing of need.

The result is that we have developed a balanced approach to the worthy goal of updating our manufactured housing construction and safety standards, while creating two new proconsumer initiatives designed to make manufactured housing more safe and more affordable.

Mr. Speaker, I would also like to give special recognition to a number of individuals who have been extremely helpful in promoting this particular aspect of the legislation: the gentleman from Indiana (Mr. ROEMER), the gentleman from Iowa (Mr. BOSWELL), the gentleman from North Carolina (Mr. PRICE), and the gentleman from Illinois (Mr. EVANS).

Finally, the legislation includes a number of noncontroversial but important provisions in the housing area, including technical corrections of the Private Mortgage Insurance Act, Native Hawaiian housing legislation, Native American housing legislation, and a number of rural housing provisions. The package also contains other important initiatives that have had broad bipartisan support in our House, including, as I said, legislation reauthorizing the critical Humphrey-Hawkins report and a number of other important consumer and housing reports that are essential in helping the authorizing committee shape policy, technical corrections required by the U.S. Mint, and technical changes intended to remove some inefficiencies in the bank and thrift regulatory system.

Both Republicans and Democrats have played an important role in developing provisions of the bill before us today. One might well dispute whether this legislation should be expanded to include additional provisions. I think it should. But I think we have done a good job of selecting a limited number of critical noncontroversial provisions that we ought to enact into law prior to adjournment.

Mr. Speaker, I reserve the balance of my time.

Mr. LEACH. Mr. Speaker, I yield 3¼ minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA), the distinguished chair of the Subcommittee on Financial Institutions and Consumer Credit.

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in strong support of this legislation. It comprehensively addresses so many banking issues, including important housing provisions and regulatory burden reduction provisions, as have been very well outlined by our chairman and by the ranking member, the gentleman from New York (Mr. LAFALCE).

I also specifically want to thank the chairman of the Committee on Banking and Financial Services for his leadership in bringing these bills to the floor, this one and the one to follow today. It is very important.

But let me comment, Mr. Speaker, on the important regulatory burden relief provisions of the bill. Congress has a responsibility and a duty to assure that the Federal laws and regulations and the supervisory system promote the safety and soundness of the banking system. We are not undermining that in any way here. That is absolutely protected. But there are unnecessary regulatory burdens on which we have agreed with broad bipartisan support; and those regulatory burdens, by their very nature, have had the proven effect of undermining the ability of banks to operate efficiently and effectively. I think this bill addresses those in a very meaningful way.

I am pleased that the bill we are considering today contains several provisions that were part of the bill. The chairman recognized my leadership on H.R. 158, the Depository Institution Regulatory Streamlining Act, which I had introduced in Congress. It was similar to the legislation that was passed in the 105th Congress but, unfortunately, did not go anyplace. Fortunately, we have focused on this, we are going to get this passed; and I am pleased to be here in that regard.

But I also want to strongly support the issue of the Private Mortgage Insurance Technical Corrections and Clarifications included in this legislation. These provisions will eliminate the confusion that has resulted from the implementation of the Homeowners Protection Act of 1998. In particular, the bill clarifies cancellation and termination issues, known as the PMI, Private Mortgage Insurance, section, as Congress intended. The clarification is absolutely necessary.

These provisions mirror legislation which I introduced, and it mirrors legislation introduced by the gentleman from Utah (Mr. HANSEN). And I want to particularly mention this because I do not see the gentleman from Utah (Mr. HANSEN) here today. His leadership should be commended and recognized by all of us in terms of this PMI component. The bill passed the House on May 23 of 2000, and I am thankful that the chairman has continued to recognize the importance of these provisions.

I will say, in conclusion, Mr. Speaker, that this bill will create a new doorway to homeownership for millions of Americans, as the chairman outlined, who, under present law, cannot qualify. I am pleased to be a partner with the

chairman and with the ranking member in seeing to it that this legislation is passed.

Mr. Speaker, I rise in strong support of S. 1452 which comprehensively addresses so many banking issues, including important housing provisions and regulatory burden reduction provisions as have been outlined by our chairman. I thank the chairman of the Banking Committee for his leadership in bringing this bill to the floor. It is necessary that Congress address these issues this year, and I urge passage of this bill.

I have been very involved in several of this legislation's provisions, and I want to comment on some of the significant parts of this bill that will resolve many of these issues once and for all.

First, I want to comment on the important regulatory burden relief provisions of the bill. Congress has a responsibility and duty to assure that the Federal laws and regulations and the supervisory system promote the safety and soundness of the banking system. Unnecessary regulatory burdens by their very nature have the effect of undermining the ability of banks to operate efficiently and effectively.

I am pleased that the bill we are considering today addresses several provisions that were part of H.R. 1585, the Depository Institution Regulatory Streamlining Act, which I introduced this Congress. Many of these provisions were also a part of similar legislation I introduced and which passed the House in the 105th Congress. These provisions cover a wide variety of issues, such as removing restrictions on the number and term of national bank's board of directors, and permitting expedited processing for certain corporate reorganizations. These issues are really too technical to elaborate on here, but they are important and I am pleased that the chairman has included them in this legislation.

Second, I strongly support the Private Mortgage Insurance Technical Corrections and Clarifications included in this legislation. These provisions will eliminate some confusion that has resulted from implementation of the Homeowners Protection Act of 1998. In particular, this bill will clarify cancellation and termination issues to ensure that homeowners will be able to cancel private mortgage insurance (''PMI'') as Congress intended in 1998. This clarification will particularly be helpful to those with certain adjustable rate mortgages. The bill also ensures that ''defined terms'' such as ''adjustable rate mortgage'' and ''balloon mortgages' are used consistently and appropriately. These provisions mirror H.R. 3637, which I introduced with the chairman and it mirrors legislation introduced by Mr. HANSEN of Utah. His leadership should be commended. This bill passed the House May 23, 2000, and I am thankful that the chairman has continued to recognize the importance of these provisions and include them in this piece of legislation. This will create a new doorway to homeownership for millions of Americans who under present law can not qualify.

In summary, I want to express my strong support for this bill. Again, I thank the chairman for his leadership on this legislation in particular, as well as for his leadership throughout his term as chairman of the Banking Committee.

Mr. LAFALCE. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. FRANK), the ranking member of the Subcommittee on Housing and Community Opportunity.

Mr. FRANK of Massachusetts. Mr. Speaker, I would like to begin with a colloquy with the chairman of the full committee.

Mr. Speaker, as I read this bill, the manufactured housing legislation would require the Secretary to ensure that separate and independent contractors are retained to carry out monitoring and inspection work and any other work that may be delegated to a contractor. While the goal of the legislation is to require HUD Secretaries to use multiple contractors for various program functions, would the gentleman agree that any HUD Secretary should not be prevented from consolidating or reconfiguring contracts, in the event insufficient or inadequate bids are received by HUD, in order to carry out its regulatory functions?

Mr. LEACH. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Iowa.

Mr. LEACH. I would advise the gentleman that I agree.

Mr. FRANK of Massachusetts. Mr. Speaker, reclaiming my time, I thank the chairman. That would have been a terrible anticlimax had he not.

Mr. Speaker, I rise in support of this legislation. It is a product of the legislative process, and it is a product of a legislative process in a democracy, which means it is a good bill with some imperfections. Personally, I would like to see some changes in the manufactured housing section.

I want to talk about manufactured housing briefly. Manufactured housing is a very important housing resource, particularly for people of limited income. It has not been given the respect it deserves in our law. This legislation, on the whole, with regard to the regulation of manufactured housing, the ability of the manufactured housing industry to produce the housing, and the rights of the people who live in it, improves the law in this area. It does not improve it enough, in my judgment; but I believe that taken overall, the provisions in this legislation are better than existing law. It will be my intention to work in the future to try to further improve it.

□ 1730

But I do want to stress that this is, in part, a recognition of the importance of manufactured housing as a housing resource, particularly for people of moderate incomes; and it also improves the situation insufficiently, but improvement is better than the alternative. And I, therefore, support the bill.

I appreciate the chairman's acknowledging, particularly in this colloquy, that we do intend to give HUD some flexibility in carrying this out.

There are other important provisions in the bill. There are provisions that do not on the whole commit new resources to housing. Let me say, I regret that we were not able to work that out. There were in many quarters, both here and in the other body, people willing to add some funds for the production of housing. But in the constraints of the legislative process, we did not get the unanimity that we needed for that.

I want to express my appreciation to those on both sides of the aisle and both sides of the building who were interested in that.

I hope that no matter who is in control of this place next year and no matter who is the President, we will address the important issue of housing production. We have a housing crisis in this country. We have an economy that is booming and has helped many people. But it does not help everybody equally, and some people are not helped at all.

There are many people in this country who are living in areas where some have prospered in this new economy and they have not, and the result has been an exacerbation of a housing crisis from which they suffer. I think we have an obligation morally, and it makes sense economically, to help with the production of housing.

Indeed, many parts of the country, including the one I represent, the high cost of housing and lack of affordability becomes a problem in trying to employ public employees. One of the things we have in this bill is an effort to deal with the stress that has been placed financially on public employees who are expected to live in a certain community but cannot afford to live there because of these trends. It also becomes a problem for employers. It becomes a problem in trying to get a rational distribution of employees.

So I again note that this bill has some good things in it, but the thing that it has in it involves flexibility in the use of existing resources. Those are important, and I am glad to be supportive of the bill that provides them, but they leave undone the important task of getting into a production program. And I look forward to our being able to do that next year.

I was pleased in the conversations that went on around the appropriations bill and this bill to see a number of people agreeing that it is time to get back into a flexible and thoughtful housing production program to help with the affordability crisis, and I look forward to us being able to work on that together next year.

There are provisions in this bill that also deal with the problems of people who live in subsidized housing and whose owners use provisions of the law that have been put in years ago that

were pretty dumb provisions, but none of us here voted for them and so we were stuck with them. It allows people who owned housing and who benefited from Federal subsidies, now as the economy has changed and as the areas that they have their housing has changed, to throw out in effect the subsidized tenants, to turn affordable housing into unaffordable housing.

This bill has some provisions that further help the tenant. Unfortunately, we will lose some of those units eventually when the tenants move out or move on. But this bill does do something to help. And, therefore, overall, despite the gaps, it is very much worth supporting.

Mr. LEACH. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Speaker, I thank the chairman for yielding me the time.

Mr. Speaker, along with many of this Member's colleagues on the committee, this Member has a long history of initiating and supporting measures which promote homeownership. This bill is another substantial step toward this and other worthy ends.

This Member would particularly like to express his appreciation to the distinguished gentleman from Iowa (Mr. LEACH), chairman of the committee, and the distinguished gentleman from New York (Mr. LAFALCE), the ranking minority member, and the distinguished gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. FRANK).

The legislation contains many of the same provisions that were in the American Homeownership and Economic Opportunity Act, H.R. 1776, which passed the House by a vote of 417–8 on April 6 of this year with this Member's support. Unfortunately, the other body has yet to act on that legislation.

Now, for most Americans, the biggest and most important investment they make is to purchase a home. Homeownership gives an individual or family a sense of pride in themselves, their home, as well as their community. This legislation advances the opportunity for homeownership by Americans across the entire country.

Mr. Speaker, the following are, in this Member's opinion, among others, six significant provisions of S. 1452, which this Member would emphasize.

One, this legislation allows families to use their Federal monthly assistance as resources for a housing down payment.

Two, this legislation would allow borrowers of the Rural Housing Service single-family loans to refinance either an existing section 502 direct or guaranteed loan to a new section 502 guaranteed loan providing the interest rate is at least equal or lower than the current interest rate being refinanced and the same home is used as security.

This Member supports this legislation as it utilizes the RHS section 502 program. In particular, this loan guarantee program, which was first authorized because of this Member's initiative but with the energetic support of my colleagues and the chairman, has been very effective in bringing homeownership opportunities for non-metropolitan communities by guaranteeing loans made by approved lenders to low- and moderate-income households.

In particular, since its inception as a pilot program in 1991, the section 502 program has facilitated over $10.2 billion in lending in non-metropolitan areas, with a very low default rate. This translates into 151,000 loans to families thus far.

Third, this legislation extends the grandfather status until the 2010 census for similarly situated cities nationwide like Norfolk, Nebraska, in my district, or several cities in Texas and a limited number of other communities, to continue to be able to use the USDA Rural Housing Service programs. The current grandfather clause until the 2000 census needs to be extended.

Fourth, this legislation also includes a permanent authorization of section 184, the Native American Loan Guarantee program, which again this Member had something to do with along with his colleagues.

A very conservative estimate would suggest that the section 184 program should annually facilitate over $72 million in guaranteed loans for privately financed homes for Indian families living on reservations who in reality would have no other alternative due to the trust status of Indian reservation land.

Fifth, a provision is included in the act which would create the Indian Lands Title Report Commission to approve the procedure by which the Bureau of Indian Affairs conducts title reviews in connection with the sale of Indian lands. This provision is identical to a bill that this Member introduced earlier in this Congress.

Moreover, this Commission should facilitate the section 184 program to benefit additional Native Americans in purchasing homes.

I would say to the gentleman from New York (Mr. LAFALCE) that I learned just a few minutes ago that he had some concern about the way the commission was appointed and recommended. I would just vouch and pledge that I will work with the gentleman in finding an equitable solution on that issue. I was unaware of the content in that particular provision.

Mr. Speaker, I yield to the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Mr. Speaker, I assure the gentleman that in the next Congress I will consult with the minority before appointing Members.

Mr. BEREUTER. Mr. Speaker, reclaiming my time, whatever the case may be, we will work on it together.

Sixth, this Member is pleased that, as a matter of equity, S. 1452 extends Native American housing assistance to Native Hawaiians. In particular, it applies the Section 184 Loan Guarantee program to those American citizens who would reside on the Hawaiian homelands.

Mr. Speaker, in closing, this Member, because of the many provisions that relate to housing and many other reasons, would encourage his colleagues to vote in support of S. 1452.

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Texas (Mr. BENTSEN) will be managing the next banking bill. So this will be the last banking bill that the chairman of the full committee and I will be managing together.

I want to take this opportunity to say that it has been my pleasure to serve with the gentleman for 24 years. I have been in Congress 26 years. In all that time, I have never had a finer chairman, there is no question about it, with respect to knowledge, dedication, integrity, perseverance, tenacity. And the world should know it. He has been a great chairman. It has been a pleasure and an honor to serve with him.

Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Speaker, I thank my good friend, the gentleman from Texas (Mr. BENTSEN), for yielding me this time.

Mr. Speaker, first of all I want to join in praising the bipartisan bill to help improve affordable housing opportunities in the American dream for more and more Americans.

I have a number of employees and employers in the manufactured housing industry in my State of Indiana, and one in four of every new homes built in America is a manufactured home.

At the same time that we hear that very important statistic, we look down this street, down Pennsylvania Avenue at HUD, and we have not updated the code to treat those homes in a fair manner with consumer and homeowner perspectives in mind in over 25 years. It is high time that this body in a bipartisan way recognize the great quality homes that are manufactured in this country, recognize that these homes have changed dramatically over the last 20 years; many of them now two stories with wrap-around decks and porches, basements. We cannot tell by looking at them from the street that they are manufactured housing.

Still, we have not worked enough in a bipartisan way until the gentleman from Iowa (Mr. LEACH), the gentleman from Massachusetts (Mr. FRANK), and the gentleman from New York (Mr. LAFALCE) have finally put this bill together. So I strongly applaud those efforts to bring this bill to the floor. I

hope, Mr. Speaker, that this bill will be passed by the Senate and that we do not go another year on top of the 25 and 26 years that we have waited for consumers and homeowners, for people all across this country, to see a modernization and an updating in the code for these houses to make sure that they are safe, to make sure they reflect the needs and concerns of homeowners today.

So I want to again applaud the chairman for bringing this bill today, in October, to the floor. We hope that the Senate will take this up and pass it, and we hope that we will be able to see HUD develop these new regulations and codes so that more and more Americans can achieve the dream of homeownership.

Mr. Speaker, I rise today in support of S. 1452, the Manufactured Housing Improvement Act. I want to commend Chairman JIM LEACH, Ranking Member JOHN LAFALCE, Representative BARNEY FRANK and HUD Secretary Andrew Cuomo, for their hard work in developing this bill.

This is a bipartisan bill which has the support of the manufactured housing industry, the Administration, and major consumer groups, including the AARP. It has taken a lot of time and effort to get to this point. They deserve credit for their hard work.

This legislation is long overdue. It has been 25 years since the federal regulations governing the manufactured housing industry have been updated. Since that time, the industry has undergone tremendous changes. It is important that the federal regulations be updated to keep pace with these changes.

For example, there are more than 150 proposed changes to construction and safety standards currently pending at HUD. Some of these are more than five years old. This kind of backlog is not beneficial to either the manufacturers or the purchasers of these homes. S. 1452 provides for the creation of a consensus committee, made up of industry, government and consumer representatives, to streamline the review process and ensure that proper standards are in place and effectively updated and enforced. This is a major step forward.

I would point out that manufactured housing is a key to home ownership in America. Almost one of every four new homes in America is a manufactured house. This is the preferred choice for a growing number of Americans, including first-time homebuyers, young families and senior citizens. At a time when more than 5.3 million Americans pay over 50% of their income in rent, an affordable manufactured home is an attractive option which we should be encouraging.

I am very proud to represent a district that is home to much of the manufactured housing industry. In fact, this industry employs some 20,000 people in Indiana and has a total economic impact of nearly $3 billion per year.

Mr. Speaker, I have visited many of the factories in my district and seen firsthand the remarkable progress which this industry has made over the years in the design, layout and style of homes. Clearly, this industry is committed to innovation, safety and affordability. We need to do our share at the federal level to work with the manufactured industry, and to support the growing number of Americans who desire to purchase their own home. I urge my colleagues to support this bill.

Mr. LAFALCE. Mr. Speaker, I yield back the balance of my time.

Mr. LEACH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my distinguished friend. And would I reciprocate. I cannot think of a finer individual to work with on this committee.

I would just like to conclude with two quick observations. One, this bill, at the leadership of the gentleman from Nebraska (Mr. BEREUTER), includes some of the most important Native American housing initiatives ever before the Congress.

It also includes a provision by the gentleman from Wisconsin (Mr. GREEN) that will allow police officers who choose to live in high-crime areas access to FHA, no-down-payment provisions for housing.

Mr. Speaker, I believe this is a very solid consensus bill, and I would urge its adoption.

Mr. RILEY. Mr. Speaker, today I rise in praise of my colleagues on the House Banking Committee, particularly Chairman LEACH, and Mr. LAZIO, for their work on legislation to bring long-awaited reforms to the overall housing industry. On the whole, I believe that S. 1452 is a bill with which we can all be satisfied.

I am pleased to see that several components of H.R. 1776, the Housing and Economic Opportunity Act, have been included in the Senate legislation. My friends on both sides of the aisle may recall that earlier this year we worked together in passing H.R. 1776 by a resounding vote of 417 to 8.

I do, however, take issue with an omission that may ultimately effect the number of families who are able to realize the American Dream of homeownership. The provision omitted from S. 1452 is Section 102 of H.R. 1776, requiring the Federal Government to perform a housing impact analysis before issuing any new regulations. The impact analysis would determine whether the proposed regulations would have a negative effect on affordable housing. In the context of Section 102, ''significant'' is any increase in overall consumer housing costs by more than $100,000,000 each year. This section of the bill would also permit the private sector to offer an alternative plan to the proposed regulations if such a plan would lessen any negative effect on homeownership cost.

The excluded section would have required a housing impact analysis be performed to alert federal agencies and the general public as to the impact that such regulations may have on housing affordability. Such analysis would help bring down the cost of a home by minimizing those regulations obstructing the purchase of a home. The housing impact analysis addresses this issue by requiring the Federal government to perform an ''internal check'' of sorts. This internal check would effectively ensure that more people would have access to homeownership.

Mr. Speaker, I see this internal check as a positive step and I am concerned that such a positive step—which was supported by 417 of my colleagues here in the House—was not included in the legislation before us today. I sincerely hope that this concept does not die with the closing of the 106th Congress, but is reexamined next year, in the formative months of the 107th.

Mr. SESSIONS. Mr. Speaker, I rise to voice my support for S. 1452. This legislation contains many provisions that will have a positive impact on homeownership and ensure that housing is affordable for more Americans. As a former Member of the Housing Subcommittee, I know how hard my friend Chairman RICK LAZIO has worked with Members of the House and Senate to bring this legislation to the floor today.

Mr. Speaker, S. 1452 contains many of the provisions of legislation originally passed by the House, H.R. 1776, the ''Housing and Economic Opportunity Act''. I was proud to manage the Rule that enabled the bill to be passed by the House by an overwhelming margin.

One important provision of this legislation is the Law Enforcement Officer Homeownership Pilot Program that assists law enforcement officers in purchasing a home in a locally designated high-crime area. Specifically, the program would enable law enforcement officers to include the downpayment, closing costs and origination fee in the loan amount. I strongly support this provision and believe that it will help make our communities safer for our children.

I do regret, however, that Section 102 of H.R. 1776 was not included in S. 1452. This section would require that the Federal Government perform a housing impact analysis before it issues new regulations. Such an analysis would make it more difficult to implement regulations that would impose a significant cost to consumers who wish to buy homes. Furthermore, the private sector would have the opportunity to offer alternative regulations if the government-created regulations exceeded a certain cost.

Although this section was not included in an attempt to reach consensus on the overall legislation, the Republican-led Congress and myself remain committed to stopping burdensome regulations as they are proposed by government agencies.

Mr. KANJORSKI. Mr. Speaker, I rise today to commend Chairman LEACH and Ranking Member LAFALCE for their tireless work on moving legislation that brings some much-needed reforms to the housing and banking industries. S. 1452, the American Homeownership and Economic Opportunity Act, is for the most part valuable legislation that deserves our support.

As you know, Mr. Speaker, our economy continues its record expansion, and our nation has achieved its highest homeownership rate in its history. The 1993 Budget Act helped to form the foundation on which these accomplishments have been built. The budget policies outlined in that law have contributed to record budget surpluses, lower interest and mortgage rates, more than seven years of robust economic growth, and record levels of consumer confidence. Despite our successes,

significant numbers of households are still precluded from sharing in the benefits of homeownership. S. 1452 addresses many of these inequities.

Specifically, S. 1452 contains many provisions of H.R. 1776, legislation previously passed by the House in April by an overwhelming, bipartisan vote of 417 to 8. Like H.R. 1776, S. 1452 will increase homeownership opportunities for all Americans, enhance access to affordable housing for low- and moderate-income individuals, and expand economic opportunity for underserved communities. It will also help schoolteachers, police officers, and firefighters to purchase homes in the jurisdiction that employs them with reduced downpayments in addition to restructuring and streamlining manufactured housing standards. Furthermore, it will allow elderly homeowners to refinance their reverse mortgages while establishing consumer protections to shield them against fraud or abuse. Finally, S. 1452 contains language to reauthorize numerous reports by federal banking regulators, some regulatory relief for financial institutions, and provisions to improve financial contract netting in bankruptcy cases.

Although S. 1452 is a good beginning, we still need to do more to encourage economic investments in underserved communities. After all, increased homeownership rates often flow from increased prosperity. That is why I hope that before the 106th Congress completes its work we will pass the Administration's New Markets Initiative and the Speaker's Community Renewal proposal. This legislation passed the House in July on a strong, overwhelming, and bipartisan vote of 394 to 27. This program includes tax credits and guaranteed loans for private firms to invest in targeted communities and small businesses.

When the House considers the Community Renewal and New Markets Act of 2000, I also hope that it will include the text of H.R. 4314, Anthracite Region Redevelopment Act of 2000. This legislation, which has the bipartisan support of the four Members of Congress who represent the anthracite coal region in Eastern Pennsylvania, will provide interest-free capital by authorizing a qualified entity to issue special tax credit bonds. Proceeds from the sale of the bonds will then be used to fund comprehensive environmental restoration and economic development of the twelve counties making up the anthracite coal region of Pennsylvania.

Additionally, while I am pleased that S. 1452 contains several important components of H.R. 1776 as well as other needed reforms, one particular omission concerns me. Unfortunately, this omission may ultimately have an effect on the number of families who will realize the dream of homeownership.

One provision not included in S. 1452 is Section 102 of H.R. 1776. Section 102, as my colleagues may recall, would require federal agencies to perform a housing impact analysis before issuing new regulations. The impact analysis would determine if a significant negative impact on affordable housing would result from those new regulations. We would define ''significant'' as increasing consumers' housing costs by more than $100 million per year. Further, Mr. Speaker, H.R. 1776 stipulates that the private sector would have an opportunity to submit an alternative to the proposed regulation if it would have less of a negative impact on the cost of homeownership.

As with the other provisions in Title I of H.R. 1776, the goal of the housing impact analysis is to alert federal agencies and the general public of the effects of a regulation on housing affordability. Ultimately, the objective would help lower the cost of a home by minimizing regulations that pose a barrier to homeownership. The housing impact analysis addresses this issue by requiring the federal government to perform an ''internal check'' of sorts in an attempt to discern whether the agency might construct the rule in a better way that would not lock some individuals out of homeownership.

Mr. Speaker, I view this internal check as a positive action, and I am concerned that we excluded this worthy provision, a provision 417 of my colleagues supported, from the bill that comes before us today. although this legislative provision will die with the closing of the 106th Congress, I hope that we can revive this concept next year, with the commencement of the 107th Congress.

In closing, Mr. Speaker, S. 1452 is a solid piece of legislation that helps more people become homeowners in very innovative ways. Because increased homeownership rates strengthen communities, I support S. 1452 and encourage my colleagues to vote for its passage.

Mr. EHRLICH. Mr. Speaker, I rise today to commend the hard work of House Banking Committee Chairman JIM LEACH and the Housing and Community Opportunity Subcommittee Chairman RICK LAZIO on moving legislation (S. 1452) that will bring much-needed reform to the housing industry in the United States.

I am particularly pleased that several provisions of H.R. 1776, the Housing and Economic Opportunity Act, have been included in the legislation we consider before us today. There is, however, one provision of H.R. 1776 that is important to removing barriers to homeownership which has been excluded.

The provision omitted from S. 1452, which was previously contained in the bipartisan-supported H.R. 1776, requires the Federal government to perform a housing impact analysis before it issues new regulations. This commonsense provision is consistent with my philosophy of reducing and avoiding excessive government regulations. In short, the housing impact analysis determines if a significant negative impact on affordable housing would result from the proposed housing regulation, and provides the private sector an opportunity to submit an alternative to the proposed regulation.

Mr. Speaker, I view this provision as a responsible and fair method of minimizing the unnecessary impact of federal regulations and as an opportunity for the private sector to provide more input to their government regulators. Accordingly, I rise in strong support of S. 1452 with the hope that this provision to reduce government regulation and prevent barriers to affordable housing is reconsidered during the 107th Congress.

Mr. CAPUANO. Mr. Speaker, I rise in support of S. 1452, the American Homeownership and Economic Opportunity Act of 2000. This important legislation contains numerous provisions that will help low- and moderate-income Americans purchase their own home.

Two provisions in this bill are particularly important to my District. The first allows the Department of Housing and Urban Development to provide enhanced Section 8 vouchers to tenants living in buildings where the owner opted out of the program prior to 1995. There are a number of these developments around the nation, including one in my District, where tenants are at risk of being forced from their homes because of large rent increases. This important step will allow these residents to stay in their homes without the constant threat of eviction.

The second provision has already passed this House as part of H.R. 1776 earlier this year, but I am especially pleased that it is included in this legislation as well. It is estimated that more than 1.5 million children are being raised by their grandparents or other relatives because of divorce, death, or other circumstances. Many of these families live in public or subsidized housing in both urban and rural communities, although their unique needs may not be best served in these situations.

A group in my District, Boston Aging Concerns/Young and Old United, has developed the first affordable housing in the country designed specifically for grandparents raising their grandchildren. This innovative development, called the Grandfamilies House, has a playground, computer learning center, and after-school programs to serve the children, as well as service coordinators, and exercise classes for the elderly residents.

The provision included in this bill will give non-profit groups greater flexibility with HOME and Section 8 funds so that more of these developments can be built. The staff of the Grandfamilies House has already had inquiries from groups across the country interested in developing similar projects. It is my hope that enactment of this legislation will help create new housing opportunities for these families.

Mr. ROEMER. Mr. Speaker, I rise today in support of S. 1452, the Manufactured Housing Improvement Act. I want to commend Chairman JIM LEACH, Ranking Member JOHN LAFALCE, Representative BARNEY FRANK and HUD Secretary Andrew Cuomo, for their hard work in developing this bill.

This is a bipartisan bill which has the support of the manufactured housing industry, the Administration, and major consumer groups, including the AARP. It has taken a lot of time and effort to get to this point. They deserve credit for their hard work.

This legislation is long overdue. It has been 25 years since the federal regulations governing the manufactured housing industry have been updated. Since that time, the industry has undergone tremendous changes. It is important that the federal regulations be updated to keep pace with these changes.

For example, there are more than 150 proposed changes to construction and safety standards currently pending at HUD. Some of these are more than five years old. This kind of backlog is not beneficial to either the manufacturers or the purchasers of these homes. S. 1452 provides for the creation of a consensus committee, made up of industry, government

and consumer representatives, to streamline the review process and ensure that proper standards are in place and effectively updated and enforced.

I would point out that manufactured housing is a key to homeownership in America. Almost one of every four new homes in America is a manufactured house. This is the preferred choice for a growing number of Americans, including first-time homebuyers, young families and senior citizens. At a time when more than 5.3 million Americans pay over 50 percent of their income in rent, an affordable manufactured home is an attractive option which we should be encouraging.

I am very proud to represent a District that is home to much of the manufactured housing industry. In fact, this industry employs some 20,000 people in Indiana and has a total economic impact of nearly $3 billion per year.

Mr. Speaker, I have visited many of the factories in my district and seen firsthand the remarkable progress which this industry has made over the years in the design, layout and style of homes. Clearly, this industry is committed to innovation, safety and affordability. We need to do our share at the federal level to work with the manufactured industry, and to support the growing number of Americans who desire to purchase their own home. I urge my colleagues to support this bill.

Mr. GARY MILLER of California. Mr. Speaker, I rise because I am concerned that we left an important provision out of S. 1452. The provision that has been omitted from S. 1452 is Section 102 of H.R. 1776, which requires the Federal government to perform a ''housing impact analysis'' before it issues new regulations.

My district has shortage of affordable housing, and housing prices are only increasing to the point where less and less people can afford a home. Supply is not keeping up with demand, and as a result, many of the people in my district and throughout the nation suffer. This problem hits my lower income constituents the hardest.

That is why I supported creating a ''housing impact analysis,'' which would determine if a significant negative impact on affordable housing would result from new government regulations. The purpose of the ''housing impact analysis'' would be to alert local and federal decision makers to how federal regulations would impact the affordability of housing. I strongly believe that an analysis on the cost of regulation would be a critical tool to help control the rising cost of housing in my district, and throughout the country.

I know affordable housing is a key issue for many of my colleagues. I anticipate working on the concept of a ''housing impact analysis'' as we look forward to the 107th Congress.

Mr. LEACH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. THORNBERRY). The question is on the motion offered by the gentleman from Iowa (Mr. LEACH) that the House suspend the rules and pass the Senate bill, S. 1452, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

The title of the Senate bill was amended so as to read:

''A bill to expand homeownership in the United States, and for other purposes.''.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEACH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 1452.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FINANCIAL CONTRACT NETTING IMPROVEMENT ACT OF 2000

Mr. LEACH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1161) to revise the banking and bankruptcy insolvency laws with respect to the termination and netting of financial contracts, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1161

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Financial Contract Netting Improvement Act of 2000''.

SEC. 2. TREATMENT OF CERTAIN AGREEMENTS BY CONSERVATORS OR RECEIVERS OF INSURED DEPOSITORY INSTITUTIONS.

(a) DEFINITION OF QUALIFIED FINANCIAL CONTRACT.—Section 11(e)(8)(D)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(i)) is amended by inserting '', resolution or order'' after ''any similar agreement that the Corporation determines by regulation''.

(b) DEFINITION OF SECURITIES CONTRACT.—Section 11(e)(8)(D)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(ii)) is amended to read as follows:

''(ii) SECURITIES CONTRACT.—The term 'securities contract'—

''(I) means a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan, or any interest in a mortgage loan, a group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or any option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, loan, interest, group or index, or option;

''(II) does not include any purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such agreement within the meaning of such term;

''(III) means any option entered into on a national securities exchange relating to foreign currencies;

''(IV) means the guarantee by or to any securities clearing agency of any settlement of cash, securities, certificates of deposit, mortgage loans or interests therein, group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, loan, interest, group or index, or option;

''(V) means any margin loan;

''(VI) means any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

''(VII) means any combination of the agreements or transactions referred to in this clause;

''(VIII) means any option to enter into any agreement or transaction referred to in this clause;

''(IX) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this clause, except that the master agreement shall be considered to be a securities contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII); and

''(X) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause.''.

(c) DEFINITION OF COMMODITY CONTRACT.—Section 11(e)(8)(D)(iii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(iii)) is amended to read as follows:

''(iii) COMMODITY CONTRACT.—The term 'commodity contract' means—

''(I) with respect to a futures commission merchant, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade;

''(II) with respect to a foreign futures commission merchant, a foreign future;

''(III) with respect to a leverage transaction merchant, a leverage transaction;

''(IV) with respect to a clearing organization, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization, or commodity option traded on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization;

''(V) with respect to a commodity options dealer, a commodity option;

''(VI) any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

''(VII) any combination of the agreements or transactions referred to in this clause;

''(VIII) any option to enter into any agreement or transaction referred to in this clause;

''(IX) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this clause, except that the master agreement shall be considered to be a commodity contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII); or

''(X) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause.''.

(d) DEFINITION OF FORWARD CONTRACT.—Section 11(e)(8)(D)(iv) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(iv)) is amended to read as follows:

''(iv) FORWARD CONTRACT.—The term 'forward contract' means—

''(I) a contract (other than a commodity contract) for the purchase, sale, or transfer of a